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# **THE PROBLEM OF INDIA**

**by K. S. SHELANKAR**

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# THE PROBLEM OF INDIA

BY

K. S. SHELVANKAR

*"The future of Great Britain will be decided, not in Europe, not even upon the seas and oceans which are swept by her flag, or in the Greater Britain that has been called into existence by her offspring, but in the continent whence our immigrant stock first came, and to which as conquerors their descendants have returned Without India the British Empire could not exist. . ."*

CURZON.



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### AUTHOR'S NOTE

Books on political subjects are invariably *pro* or *anti* something: this is no exception. It is not, however, "*pro*-British" and "*anti*-Indian," or vice versa. Readers will find the views expressed here agreeable or provocative to them, regardless of their nationality. As for the facts, I have endeavoured to state them without evasion and after a careful study of the relevant authorities. I may be allowed to say that the things I am consciously *pro* are food and freedom for the millions who are to-day deprived of them; by the same token, the only things I am *anti* are the systems and institutions which appear to be the cause of such deprivation, whether they be Indian, or British, or Indian and British in character.

April 5, 1940

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# PART I

## INTRODUCTORY

### CHAPTER I

#### THE HISTORICAL BACKGROUND

##### 1. *The First Phase*

THE earliest historical evidence we have with regard to India is furnished by the remains of a civilisation in the Indus valley. How far it extended to the east and north; whence it came and how it perished are not known. It was in many respects similar to the ancient civilisations of the Near East, and is believed to have reached its height about five thousand years ago. In the urban sites that have been explored, no palaces and temples are to be found, but there are public baths and well-constructed two-storied houses and other remains which bear witness to the refinement and prosperity of the times.

The invasion of the Aryans marks the first definite event in Indian history. They were a people of the same stock as the Persians and spoke a language akin to Persian, Greek, Latin, Teutonic, Celtic and Slavonic. They are believed to have entered India, through the north-western passes, about 2000 B.C. Their progress was resisted by the original inhabitants of the country, among whom the Dravidians were the most advanced in culture. If it be true, as has been suggested, that the Dravidians built up the Indus valley civilisation, then the gulf which divides the latter from the subsequent course of Indian history would be bridged. For the classic Hindu civilisation was the work of a mixed Aryan-Dravidian race of people, whose political, social and religious institutions are to be explained partly as a result of fusion and partly as due to

the predominant influence of one or the other element.

The Aryans broke into India in successive waves. Settling first in the Punjab, they flowed little by little into the Ganges territory and spread farther eastwards towards the plains of Bengal. The geographical expansion was accompanied by a steady cultural development. The Dravidians and other aboriginals who had formerly been exterminated or driven into the hills were slowly absorbed into Aryan society. Political and economic conditions were at the same time transformed. Tribal settlements gave way to feudal principalities surrounded with all the pomp of chivalry, and these again to monarchical states ruled by hereditary kings. The advance of trade and agriculture led to a more comprehensive division of labour. Towns sprang up. Handicrafts increased in number and rose to a higher level of skill. Priests and warriors became separated from the bulk of the people, whether Aryan or Dravidian, and formed distinct classes. The Brahmin priesthood worked out an elaborate sacrificial ritual and imposed it on society; and speculation on metaphysical and theological subjects, which had first been stimulated by the Brahmin ritual based on the Vedas [1], was later used to attack that very ritual and uphold new, anti-sacerdotal religious systems. Of these the most notable was Buddhism.

The process of racial amalgamation and political and economic development culminated in the establishment of the Mauryan empire in the fourth century B.C. Chandragupta, the founder of the empire, was a great general and organiser. He subjugated the multitude of small states, some monarchical and others republican, which existed in northern India and created a centralised administrative system. There was a powerful standing army of paid soldiers equipped from Government arsenals and thirty State departments embracing most of the activities of modern Governments. The capital and other great cities in the empire were administered by a municipal commission. The revenue was derived from the land-tax, and provision was made for education and irrigation,

while the State actively encouraged commerce and industry in a number of ways.

The territories of the empire were extended by Chandragupta's successors, of whom the most famous is Asoka—famous, however, not for the solitary war he fought, but for his zeal in the propagation of the Buddhist faith, his nobility of mind and his earnest solicitude for the welfare of his subjects. As a means of diffusing a knowledge of the Buddhist moral code, he engraved a series of edicts on rocks and stone pillars throughout his dominions, which form one of the most valuable sources of the history of the period.

Following the decline of the Mauryan empire, no great imperial system arose in India till the fourth century A.D., when the whole of northern India was again united under the Gupta dynasty. Chinese travellers who visited India in this period speak with admiration of the "wealth, prosperity, virtue and happiness" that they observed in the country. There was no capital punishment and no torture. Charitable institutions were numerous and rest-houses were kept on the roads. All branches of learning and literature flourished. The greatest of Sanskrit poets and dramatists, Kalidasa, lived at the court of one of the Gupta sovereigns.

The Dravidian culture of the south, with its own literature (in Tamil) and art and music, remained for many long centuries unaffected by the changes that were taking place beyond the Vindhyas. "Its very extensive sea-frontiers differentiated its economic life from that of the north: its sea-traders were in the Indian Ocean what the Phœnicians were in the Mediterranean." [2] There was an active commerce, especially in pearls, pepper and spices, with Egypt and Rome. Tribal organisation had been superseded at an early date, and when the first Aryan travellers skirted round the great forest barrier of central India and came south, they found flourishing and well-organised states in existence.

Although the south followed an independent line of development and was never conquered by Aryan military

force, there was an increasing assimilation of its modes of thought and its social and political institutions to those of the north. (They were in any case not unlike each other.) Religious beliefs and sacrificial rituals evolved in the Ganges valley slowly penetrated the whole of Dravidian society; Sanskrit received universal recognition as the sacred language; the Vedas and Upanishads [3] were everywhere accepted as embodying revealed truth; and, on the basis of these changes, the Brahmin priesthood which promoted them and whose power was originally confined to the Aryan settlements on the banks of the Ganges, extended its social ascendancy from one end of the country to the other. The rise of missionary faiths such as Buddhism and Jainism, and of the great empires which pushed their frontiers far down into the peninsula, accelerated the process of fusion between the two cultures: the partly Aryan and partly Dravidian culture of the north and the purely Dravidian culture of the south. Buddhism and Jainism were perhaps more popular and retained their vitality longer in the south than in the northern plains where they had originated, while distinctively Dravidian religions, like the worship of the deities Siva and Vishnu, swept the north and gained a wide popularity. As a result of these movements—military, religious, social and intellectual—a homogeneous Hindu culture was established throughout India which took final shape and attained its zenith between the fifth and twelfth centuries of the Christian era.

## *2. The Second Phase*

The next great phase in Indian history begins with the Moslem conquest. During the eleventh and twelfth centuries the upheavals caused in the Near East by the rise of Islam had led to intermittent raids on the wealthy cities of Hindustan by bands of Turkish, Arab and Afghan adventurers in need of money and slaves. At last, in 1206, an independent Moslem state was founded in India, the Delhi sultanate. A succession of Moslem rulers, Turkish or Afghan in origin, with Delhi as their capital,

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then extended their power over the whole of northern India. Other parts of the country, too, soon yielded to the invaders. Moslem dynasties were set up in Gujerat and Bengal, and in the Deccan. Only in the south their advance was checked by the powerful Vijayanagar empire, the last stronghold of Hinduism, which maintained itself in strength and prosperity until overpowered by a Moslem coalition in the middle of the sixteenth century.

The Moslem conquest did not produce any change in the economic foundations of Indian life, but it had some important social and political consequences. It gave India new languages—Arabic and Persian, and, above all, Urdu; it introduced a new law—Moslem law; and it created a new ruling class. State power, formerly subject to numerous customary and constitutional restraints, found its support solely in military force, and the government of the sultans, who between them carved up the greater portion of India, was “an absolute despotism, tempered by rebellion and assassination.” [4] Islam, moreover, was a vigorous missionary faith. It made many converts at the point of the sword; others, especially among the poorer classes, turned to it in order to escape the poll-tax levied on all non-Moslems. In some regions, particularly in eastern Bengal, mass conversions also took place. There thus came into being a totally new element in the Indian population, which resisted absorption, or re-absorption, into the infinitely tolerant and receptive social system of the Hindus.

It must not be supposed, however, that the two communities lived in a state of hostility. In the early stages of the conquest, no doubt, the infidels were often savagely persecuted, but the necessities of administration soon taught the virtue of toleration and, except under some particularly fanatic ruler, the Hindus were left to go their way. (After a generation or two, the Moslem ruling class ceased to be foreign in any real sense (as, for example, the British still are). They were born in India, spent their lives there and knew no other homeland. Social intercourse between them and the old Hindu nobility in-



creased. And, at any rate after the fourteenth century, the employment of Hindus in high administrative and even military posts was quite frequent. Political divisions seldom ran parallel with the line of religious cleavage: alliances between Hindus and Moslems were at least as common as enmity and warfare among the Moslems themselves. At the same time, the sufferings of the masses of the people, whether Hindu or Moslem—for the Turkish and Mogul war-lords “by no means always spared the true believer” [5]—drew them together, and gave rise to a new piety, to new mystical sects which minimised the doctrinal differences between Hinduism and Islam and sought to unite all men on a simpler, more emotional and consoling religious basis. In these and other forms a constant process of reconciliation was at work, both at the top and the base of Indian society, between its Moslem and Hindu sections.

The most brilliant period in the history of Moslem rule begins with the establishment of the Mogul empire in 1526. Babur, its founder, was a descendant of the great nomad chieftain, Tamerlane, who had made a brief but devastating incursion into India at the end of the fourteenth century. By a series of victories over the Hindu and Moslem armies arrayed against him—victories in which artillery played no small part—Babur won the sovereignty of India, but the task of consolidating the empire fell to his grandson, Akbar. Surnamed the Great, and by any standard one of the outstanding figures in world history, Akbar created an efficient system of administration and strove to unify and “modernise” India.

His successors were of lesser calibre: Jehangir, who has been described as a “talented drunkard,” and Shah Jehan, who maintained a court of unexampled magnificence; but under both the empire continued to flourish in seeming strength and prosperity. Their lavish patronage of the Arts, especially of music and painting and poetry and architecture, led to a cultural renaissance which is one of the brightest chapters in Indian history. They

were followed on the throne by Aurangzeb, a man of tireless energy, but narrow-minded, puritanical and bigoted, who reversed the policies laid down by Akbar and for fifty years toiled unceasingly to impose upon all, Hindu and Moslem alike, conformity to the religious principles of Islam, as interpreted by himself and the Muslim sect to which he belonged, the Sunnis.

### 3. *The Third Phase*

Far from succeeding, Aurangzeb's attempt to turn India into an orthodox Moslem state only hastened the decline of the empire. In the Punjab the Sikhs—originally one of the many religious sects which created a common platform for the Hindu and Moslem masses—armed and organised themselves to resist his tyranny. In the Deccan the Marathas, under their great leader Sivaji, presented a powerful and intractable opposition which Aurangzeb spent many long years in fighting. With his death in 1707 the glory of the Moguls faded; their empire fell to pieces; civil war broke out; and a multitude of adventurers and of independent principalities ruled by adventurers sprang up in every part of the country. In the turmoil and desolation of the times, only the Marathas steadily extended their power and, with their base at Poona, made a bid for empire.

Only the Marathas—and the East India Company. Not that the latter came suddenly on the scene: it had been in existence for over a hundred and fifty years. But until the middle of the eighteenth century its development was bound up with the course of European politics and was an aspect of the rivalries between the new mercantilist states of the Atlantic seaboard. Portugal, the first to capture the oceanic trade with the East, retained its virtually monopolistic position till the end of the sixteenth century. When the East India Company was formed and received its charter from Queen Elizabeth in 1600, the Dutch had already superseded the Portuguese. Between 1650 and 1750 they were the most powerful, the wealthiest and best organised of the European trading nations. It was only

after their naval power was broken that their commercial importance declined, and the East India Company found itself without any serious rival except the French who, also, were eliminated as a result of the Seven Years' War in which India and North America were the stakes. Thereafter British supremacy at sea made it impossible for any European Power to contest the growing ascendancy of Britain in India.

In India itself, the welter of anarchy into which the country was plunged through the decay of Mogul power facilitated the conquest. Bloody and brutal wars of aggression were fought—in Bengal, on the plains of northern India, in the Punjab, in the Carnatic and against the Marathas. There was scarcely a decade between 1757 and 1857 during which thousands of square miles were not added to the British possessions and millions of Indians brought under British rule. The Indian armies, led though they were by an effete aristocracy, fought bravely: they won battles but lost campaigns. In 1857 a last fierce attempt was made by a people united as never before to regain its freedom. It failed. Next year the East India Company was wound up, India passed under the British Crown, and the shackles were clamped down on her.

India had been conquered before, but by invaders who settled within her frontiers and made themselves part of her life; conquered as the Normans conquered England or the Manchus conquered China. She had never lost her independence, never been enslaved. That is to say, she had never been drawn into a political and economic system whose centre of gravity lay outside her soil, never been subjected to a ruling class which was and which remained permanently alien in origin and character.

## CHAPTER II

### THE UNITY OF INDIA

#### 1. *The Unity of a Pre-Capitalist Culture*

As many Hindu writers have pointed out, the concept of the fundamental unity of India is an important element in the Hindu heritage. [6] Almost from the earliest times the country has been visualised as one, and invested with a religious significance. Its hills, its rivers, its fauna and flora were celebrated in songs and hymns; celebrated, not separately, out of local patriotism alone, but as combining to distinguish the land of the Hindus from all others. The Himalayas, which shut off the peninsula from the Asiatic hinterland and the sea, which isolated it from the rest of the world, reinforced this sense of a common Motherland. Whether we call it nationalism or not, to the Hindu mind India is one, and her unity is constantly asserted in prayer and ritual. Its most remarkable outward expression is perhaps the institution of pilgrimage, which links together shrines scattered in all parts of the land and presents them collectively as spots hallowed to the Hindu worshipper. "Hindustan" is the land that is not only inhabited by the Hindus, but contains all that they hold sacred.

But this religious and, as it were, ideological unity—fostering the love of the land "as a sacrament of a culture which it embodies"—was based on the minute social differentiation that goes by the name of caste. This is a system that can be related to no coherent idea, not even—perhaps least of all—to what is stated in the Hindu scriptures to be its true foundation. It represents actually a confusion of all manner of distinctions, racial and occupational. The one thing that can be said about it with certainty is that it segregates the castes by forbidding intermarriage and restricts each caste to a particular voca-

tion. It implies not only the negation of equality but the organisation of inequality exclusively on the basis of inheritance. Differences there will be in any imaginable society—differences of function, at all events. It is not in recognising their inevitability that caste is peculiar: it is in the method it adopts to systematise and control them. You are a brahmin (priest) because your father was a brahmin; or a butcher or scavenger, weaver or washerman, for the same reason. Birth is all.

What is more, the system was clothed with all the sanctions of religion. Indeed, it *was* the Hindu religion: There is (and was) no Hindu creed, no Hindu church, no divine or semi-divine founder of Hinduism. Only a number of schools of thought, religious and metaphysical, a mass of ceremonies, practices and taboos—and this massive and complex social structure which was declared to be rooted in the eternal order of things. And Hinduism asked of the ordinary individual not so much the acceptance of any precise intellectual or mystical dogma, but rather that he should adapt himself to the social position in which he was born—i.e. his place in the caste hierarchy—and be diligent in his observance of the traditional duties and restrictions it imposed on him. "Each caste and sub-caste was a separate centre with its own particular interests of various kinds, with its own stray likes and dislikes, with its rigid wall that hindered all real and practical identification with the interests and likes of other castes and with the wider self of the body-politic."

Thus while Hinduism unified India, it obstructed the further development of unity by upholding on religious grounds a social system composed of bits and pieces, of interlocked fragments, like a Chinese puzzle. The obstruction might have been broken down if economic development had demanded it. But the economic system was stabilised at a low level. It was based on the village community which was a more or less self-sufficient unit, combining agriculture and handicrafts. Production was everywhere on a small scale, and for consumption rather than exchange. Technology was backward, communica-

tions were poor, money was scarcely needed, and everything moved in narrow, well-worn grooves fixed by custom. It was, in short, a pre-capitalist economic system—parochial, static and, in many respects, primitive. There was, indeed, a market of varying dimensions for different commodities; but it was not a self-expanding dynamic market binding together the whole country, or even any very large areas of it, in a process of continuous and vital commodity exchange.

In these circumstances the emergence of a political organisation identifying an "Indian nation" with an "Indian state" was naturally out of the question. Frontiers fluctuated from time to time, dynasties rose and fell, wars and invasions ravaged some part of the land or other. But they left the life of the people largely unaffected, for it was governed ultimately not by the laws of the State but by caste codes of function and privilege, by caste organisations, and by virtually autonomous bodies such as the local guilds and village communes.

Secondly, as a result of military disturbances and calamities like floods and famines, the fabric of caste was shaken and re-shaken, and progressively lost whatever element of rationality it ever had. In the realms of politics and military affairs it played little or no part; individuals frequently broke through its bonds; new castes were formed; but in all essentials the system nevertheless remained unchanged. Thirdly, since no social or economic regime is absolutely static, new cultural, linguistic and sectarian groups and sub-groups arose in different regions of India: partial crystallisations, as it were, within the wide stream of Hindu culture—the Marathas, Tamils, Kashmiris, Gujeratis, Bengalis, the votaries of Siva and of Vishnu, etc.; while completely outside the pale of Hinduism but not uninfluenced by it there came into existence religious minorities such as the Moslems and Sikhs.

Hence India did not, and does not, display the degree of homogeneity and the kind of social structure that even small countries like England have evolved only after a

hundred and fifty years of industrial capitalism: it would be unreasonable and unhistorical to be surprised at this. On the other hand, she was not, and is not, torn between a number of mutually antagonistic tribes and peoples. Her civilisation ran to neither of these extremes. It tolerated a rich diversity, in language and religion and politics. And while, as in the rest of the world, oppression and inequality and greed and injustice led to conflicts, the conflicts did not extinguish the unity of India but only served to enhance it by bringing about a more complete fusion of the various elements it embraced.

## *2. Unity and the British Conquest*

The British conquest initiated and enforced a series of interrelated changes. Each of them by itself would have been revolutionary enough in its consequences, but, occurring simultaneously as they did, they shattered once for all, within the space of a few decades, the foundations of a civilisation that had endured for wellnigh three thousand years. There was a new land system, a new revenue system and a new system of administration. Railways were built, trade was encouraged and markets were widened. The transition to a money economy was speeded up. A uniform system of coinage was introduced and the use of money, that most potent dissolvent of ancient ties, was made obligatory. At the same time, law more and more tended to replace the customs which had for so long kept India tethered to her immemorial past.

Underlying and dominating these changes was the political unification of the country. Nationalist writers sometimes argue that this had been achieved in earlier periods of Indian history. There is a grain of truth in the contention but it is not of much importance. For there is an essential, qualitative difference between the unity which enables the Government in India to-day to exercise at need a direct and immediate control over any village or hamlet in any part of India and the sort of general and in the main nominal overlordship exercised by Asoka or Akbar.

The basis of this unity was threefold. In part it was technological: railways, telegraphs, etc. In part it lay in the character of British power in India: it was not, as in the case of the Turks and Moguls, the power of a body of military adventurers acting on their own behalf and for their personal gain, hence liable to fall out among themselves, but of rulers who were the nominees and agents of a foreign Government—of the highly organised and unified British Government and the capitalist class which supported it. It was made possible, above all, through the disruption, by the various social and economic forces released by the British conquest, of institutions such as caste and the village commune which had formerly barred the road to the political unification of India.

Stated in the broadest terms, the transformation was an episode, one of the major episodes, in the history of capitalism. The break-away from the feudal order welded England into a national state dominated by the capitalist class. The subsequent extension of British power to India was admittedly dictated by economic motives, by the desire to exploit the trade and industry of India. Exploitation required, and meant in practice, the construction of railways, the reorganisation of the land systems, the stimulation of commerce, etc. The direct object of these measures was to increase the profitability of India to British capital, but they inevitably had the effect of destroying the pre-capitalist social and economic systems of the country. They paved the way for the evolution of India on capitalist lines and thereby also created the technological and economic conditions for the attainment of a degree of unity such as she had not known at any period in her history.

### *3. Divide and Rule*

The development of Indian unity after this point is closely bound up with the policies pursued by imperialism and with the struggle against imperialism.

In the first place, although imperialism demolished the bases of the old order, it checked the rise of a fully



capitalist industrial system and led to the decay of peasant agriculture. To the extent that economic development was thus retarded, all the differences in local customs and manners, all the old beliefs and prejudices and habits of thought, all the sectarian and religious differences were preserved. At the same time, owing to the general dislocation of social and economic conditions, the pressure of the inequalities and hardships from which the various groups suffered became acute and tended to arouse antagonism between them.

Secondly, wishing to incur no more hostility than was provoked by imperialist exploitation, the bureaucracy adopted a policy of religious "neutrality" which often stood in the way of the natural evolution of Indian society. For example, "those who were responsible for the Sarda Act (to prevent child marriages) found that the officials were only too often hostile or at any rate indifferent, because it might cause trouble. . . . Again, it has not been possible to revise Hindu law in regard to women's property." [7] This policy has had consequences even more serious. Faced with "communities and castes scattered all over the country, differing in faith and customs from one another," the bureaucracy concluded that they were opposed to each other and that their interests clashed. Accordingly, in the name of impartiality, it proceeded to maintain everything intact and uphold each community's separate rights. "The logical result of this policy was only to accentuate differences, to retard the process of unification by the obliterating of differences, to create a sense of differentness where that sense did not exist at all or only unconsciously, and to perpetuate all forces of disruption." [8]

The policy of impartiality, as we see, shades off into the older and more sinister imperialist policy of divide and rule. It has two aspects, one political and the other communal. The Mutiny brought home to the British the ever-present peril of a united revolt of the Indian people. To guard against its recurrence and ensure for themselves the support of allies in any future emergency, the British

abandoned the policy of annexation that they had followed till then, and created across the length and breadth of India a chain of principalities, nominally independent but in reality subject to them.

Before the British conquest all India was, of course, divided into a number of kingdoms and empires ruled by Indian dynasties, some Moslem and some Hindu. They belonged to the civilisation of the time, played an important rôle in it and were swayed by all its social and traditional forces. But the British conquest sealed the doom of the pre-capitalist civilisation of India. [Yet imperialism rescued from its ruins these anachronistic puppet princelings and bestowed upon them its protection for no other object than to divide the strength of India. [9] For many decades the States remained isolated, though imperfectly] from the great tides of change that swept over the rest of the country. To-day they are festering enclaves of autocracy and misrule.

#### 4. *The Hindu-Moslem Problem*

The "communal problem" has a number of aspects: the relation between the Hindus and Moslems is the most important of them. In considering this question, it is well to bear in mind the following basic facts: (1) Out of every 100 persons in India, 68 are Hindus and 22 Moslems. The Hindus predominate largely in the centre and the south, forming 89 per cent. of the population in the Madras Presidency. The Moslems are in a small majority in the Punjab and in Bengal, and form a considerable element in the population of the United Provinces. (2) The Moslems do not differ in blood from the Hindus [10]; races are very mixed in India, and the Moslems and Hindus are essentially the same amalgam of races. (3) The vast majority of Moslems, like the vast majority of the Hindus, are either peasants or artisans and craftsmen by trade. (4) Separated neither by race nor by economic interest, the two communities are yet divided by their religious beliefs and social practices, by the caste system, and vaguely

also by a fast-fading pride of conquest on the Moslem side and the memory of oppression on the part of the Hindus.

To these, it is important to add some further considerations: (1) As the Moslem conquest unfolded itself in the thirteenth century, it bore heavily on the Indian population which was, of course, mainly Hindu. But the oppression and injustice it entailed are no more to be attributed to religious differences than we can attribute the brutality of the Japanese in the Far East to the differences between Shintoism and Buddhism or the brutality of the British conquest to the differences between Christianity and Hinduism. Except under rulers like Aurangzeb, and they were few, the Hindu and Moslem communities have historically lived at peace with one another. A process of mutual adaptation was constantly at work, and there was much give and take in language, manners and customs, and even religion. (2) Until quite recent times there was hardly any communal conflict in the States, although in some Moslem populations are ruled by Hindu princes and in others Hindu populations are ruled by Moslems. (3) Communal conflicts have, again, been absent in the villages where, if they occur at all, they take the obviously economic form of a clash between the peasants and money-lenders or landlords of a different faith.

That communal differences, particularly the differences between Hindus and Moslems, could be exploited with advantage was realised quite early in the nineteenth century. In 1821 a writer in the *Asiatic Journal* said: "*Divide et impera* should be the motto of our Indian administration," and the view was supported by an army officer who "likewise pronounced that 'our endeavour should be to uphold in full force the (for us, fortunate) separation which exists between the different religions and races; not to endeavour to amalgamate them!'" [11] This policy was officially endorsed in 1858 by Lord Elphinstone, the Governor-General.

Till nearly the end of the century, it was the Moslems who were singled out for official disfavour. Even before the Mutiny—in which both Moslems and Hindus had

taken part—Lord Ellenborough had written: "I cannot close my eyes to the belief that this race (Moslems) is fundamentally hostile to us and therefore our true policy is to conciliate the Hindus." [12] After 1857 the Moslems were "suspected of nearly universal disaffection and sometimes roundly accused of . . . meditating a *jihad* (holy war) against English rule. The Ambala and Patna trials (for sedition) created a general conviction of their disloyalty." [13]

However, when the nationalist opposition, as represented by the Congress, continued to develop, the Government countered it by changing its attitude to the Moslems and endeavouring to pit them against the Congress. Various sectarian and loyalist organisations were formed for this purpose, but they did not thrive. It was only in the early years of the present century that Hindu-Moslem relations were brought to a state of acute tension by two measures perfectly in accord with the motto recommended by the *Asiatic Journal*. The province of Bengal was divided into a Moslem section and a Hindu section, in order—as the *Statesman*, of Calcutta, the leading organ of British opinion in India, said—"to foster in eastern Bengal the growth of a Mohammedan power, which, it is hoped, will have the effect of keeping in check the rapidly growing strength of the educated Hindu community." The Governor of the new province publicly admitted the nature of the policy that was being pursued when he declared that he had two wives, one Hindu and one Moslem, but that the Moslem was his favourite.

The second measure was the creation of an electoral system based not on the principle of personal enfranchisement but on the beliefs and traditions of the different communities (as evaluated by imperialism). An electoral system, that is, which regarded the voters not as citizens of a single State but merely as members of antagonistic social and religious groups accidentally thrown together. The result, inevitably, was to divert attention from the political and economic interests that the people had in common, and to nourish a bitter but fruitless strife on

such subjects as the strength of the representation allotted to each community.

In spite of these obstacles the growth of the nationalist movement was not arrested. Indeed, it attracted a section of the Moslems as well. For some years after 1910 "Hindu-Moslem unity" was established on a platform which committed the Muslim League—the leading Moslem communalist organisation—to the goal of self-government, while the Congress on its part agreed to the principle of separate communal electorates. During the last two decades, however, not only has the organisational link between the Congress and the Muslim League disappeared, but communal tension has been on the increase, and there have been serious riots in many urban centres.

Whatever the immediate pretext—and usually it is trivial enough—the real cause of these riots, so far, must be sought in the intensification of the rivalry between middle-class job hunters. The Moslems as a community had for many generations stood disdainfully aloof from the English education which alone qualified one for government and commercial posts in India. When, finally, they took a different attitude, the Hindus were already in the field and had acquired a vested interest in many branches of trade and administration. At the same time, industrial unrest was growing, and the general unemployment among the educated of all communities attained serious proportions. In these circumstances, communal tension and agitation were maintained at a high pitch and drew in also the hooligan and criminal elements in the towns. Given two other conditions, the activities of agents provocateurs and the negligence of the police—they are known in some instances to have turned a blind eye to what was going on—it is not difficult to understand how even a petty quarrel between a Moslem and a Hindu may develop into prolonged rioting and bloodshed.

### *5. Imperialism and the Multi-national State*

There is no organisation in India which can claim to speak for the whole or even a majority either of the

Hindu or the Moslem communities. The Congress is not a Hindu body; it is bitterly attacked by the Mahasabha, the Hindu communal organisation. Yet, partly because the Hindus after all constitute the majority community and partly because nationalism everywhere harks back to old traditions and beliefs, a distinctly Hindu atmosphere pervades the Congress. (It is not orthodox Hinduism. It is impatient of social abuses, and under Gandhi's leadership the Congress has been foremost in fighting them, especially untouchability.) Many Congress men have pronounced Hindu sympathies, and the phraseology at Congress meetings, the songs and prayers, constantly call attention to the link between Hinduism and the Congress.

Nevertheless, the fact remains that the Congress is non-sectarian. It is the most important non-communal, purely political and democratic organisation in the country. It commands unrivalled prestige and authority, and is stronger by far than any communal organisation. It includes a not inconsiderable proportion of every religious minority. There are large numbers of Moslems in it. Most of the leading Moslem figures in recent Indian history (except H.H. the Aga Khan) have been associated with it. And every provincial Congress Government had one or more Moslem ministers.

As a whole, the Moslems are neither anti-Hindu nor anti-Congress. They have what in the circumstances must seem an entirely natural fear that their interests would be jeopardised by the ascendancy of the Hindus who, they feel, have already secured too firm a hold on Government services and trade and industry. Distrust of the majority community has given rise to a whole series of demands, including special schools, a larger share in the public services, safeguards for Moslem culture, etc.

But if the Moslems have awakened to a realisation of their position as a minority community, it is only a phase of a wider political awakening. They suffer under imperialism and bureaucracy as much as the Hindus, and have rapidly developed a militant anti-imperialist consciousness. In order to placate this temper the Muslim

League has been obliged to announce that it stands for independence for India and the rejection of the new Government of India Act. By adopting an apparently nationalist programme, by misrepresenting the Congress as a communal organisation and by playing on the fears of a minority community the League has gained a limited measure of support among the intelligentsia and the urban poor. But it has no room for democracy even in its own ranks, and is dominated by a clique of antiquated aristocrats, retired officials and rich lawyers whose main concern is to combat the democracy and agrarian radicalism of the Congress.

The Congress has sought to meet the situation by a dual policy. First, it has endeavoured to dispel the suspicion, however unfounded, that it aimed at a Hindu hegemony, and has extended the fullest assurances on the question of minority rights. It has declared that "its primary duty and fundamental policy is to protect the religious, linguistic and cultural rights of minorities in India so as to ensure for them in any scheme of government to which the Congress is party the widest scope for their development and participation in the fullest measure in the political, economic and cultural life of the nation." [14] It has repeatedly tried to bridge the gulf which divides it from the Muslim League. The last attempt was made in 1938. But Jinnah, formerly a member of Congress, who is now the most conspicuous figure in the Muslim League, preferred rather to identify himself with Islam in India than with India as a whole.

Secondly, the Congress has attempted to draw the Moslem masses into the struggle by taking the initiative in organising them and bringing them into the Congress. This policy of "mass contact" has met with a degree of success. But the Congress is still isolated from the bulk of the Moslem community because (a) the policy has not been pursued vigorously enough, and (b) in the provinces where the Moslem peasants predominate the local Congress organisations have been strongly under the influence of pro-landlord and pro-money-lender elements. The

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door has thus been left open for communalists to exploit the growing Moslem mass discontents.

The sectarian conflicts over jobs and schools affect, however, only the privileged classes in Indian society. They do not touch the peasants and workers and the lower-middle classes of all communities. That is why the importance of the negotiations for communal unity that have taken place from time to time should not be exaggerated. There is developing an independent mass movement of the peasants and workers on an economic, not religious basis. In labour strikes and in the village struggles against landlords and money-lenders a new mass unity is being forged that is proof against the tactics of disruptive communalists. In Cawnpore, for example, "the Moslem workers have joined the union and have defied all efforts to separate them from their Hindu comrades. . . . Some time ago the communalists tried to make a split by bringing out a Muslim League green flag, but the workers pointed to their red flag and said that the blood which had dyed it red was not communal." [15]

That there are different religious, linguistic and cultural groups in India is in itself of no overriding significance. Such diversity was not formerly incompatible with unity—a loose sort of unity, no doubt, but real unity. The economic basis of that unity was destroyed by British imperialism. The consequent prolonged stagnation and decay of Indian society, accelerating the break-up of every community and increasing its hardships, sharpened antagonisms. The rise of a popular democratic movement for freedom and economic reconstruction has, moreover, alarmed imperialism and its Indian allies. Their strategy is to stir up discord and inflame religious fanaticism in order to lure the people away from political and economic issues.

That is the fundamental conflict to-day: it is not communal but political, and imperialism is in the thick of it. That is why the unity of India cannot be discussed as though it were a dead abstraction. It is a dynamic thing,



growing in power as the struggle against imperialism proceeds. Week by week, month by month, the masses are learning that, although they may not all profess the same faith, their vital economic and political interests are identical. It is in the struggle in which they are engaged for the defence of those interests, and as they move towards their political and economic emancipation, that their unity will be consolidated on a new and stronger basis than ever. Only then would the conditions exist for the creation of a genuinely multi-national state, such as the U.S.S.R., which alone can finally solve the problem of minorities in India and give every minority, however small or backward, the opportunity and the means to develop freely on its own lines.

## PART II

### MAINLY DESCRIPTIVE

#### A. The Condition of the People: A Factual Survey

### CHAPTER III

#### THE PEASANTS

##### 1. *The General Social Structure of India*

INDIA has an area of 1,808,000 square miles and a total population of 353 millions. The working population consists of roughly 154 million persons, of whom 50 millions are women. (But many women must have been returned as "unemployed" who are engaged in domestic duties such as cooking, grinding corn and drawing water. The popular notion that Indian women live in a remote romantic world of veils and *saris* is of course absurd.)

The working population is distributed as follows among different occupations: 66 per cent. in agriculture, 18 per cent. in trade, transport and industry, 7 per cent. in domestic service, 3 per cent. in public administration and the liberal arts, and 5 per cent. in unproductive and insufficiently described occupations. In round figures, there are a little over 100 millions engaged "in the exploitation of animals and vegetation," 26 millions in trade, transport and industry, 10 millions in domestic service, 4 millions in administration and the professions, and another 10 millions in miscellaneous occupations.

On the basis of these figures we can visualise, roughly but accurately, the structure of Indian society to-day. At the top there is a small class—no more than a handful, in comparison with the total population, perhaps a million persons in all—consisting of wealthy landowners and others living on their private incomes. Below them is a

middle class, about 15 millions strong, composed mostly of clerks, teachers, small business men, traders, students and others. Then come the vast bulk of the people, the masses who may be divided into two main groups: (a) about 70 million peasant cultivators, and (b) workers of all other categories—agricultural labourers, handicraftsmen, industrial workers, general labourers, domestic servants, etc.—about 65 millions of them. Excluding the first category as being parasitic, and also a small proportion of (b) above, we see that Indian society is divided almost equally between a compact body of cultivators on one hand and a more diversified group of wage-earners. Between the two and above them stands a middle class, commercial, administrative and professional in character.

It is hardly necessary to point out that the basis of this social structure is agriculture. Over two-thirds of the working population, men and women, are employed in it and in kindred occupations. There are only 39 cities whose population exceeds 100,000 and only 7 of them have more than 400,000 inhabitants. 90 per cent. of the people live in the villages, of which there are about 700,000. "Each is a huddle of mean houses, tiled or thatched, built of mud or dry stone, and containing only one or two rooms, with a yard at the back for storage of grass and fuel. Glazing and chimneys are unknown and a straight line or right angle in any roof or wall is rarely to be found." [16]

The 100 millions or so returned in the Census as engaged in the exploitation of animals and vegetation includes a numerically insignificant but highly privileged minority. It consists of about half a million landed magnates, the *zamindars* (their designation varies; in some provinces they are known as *taluqdars*, *malguzars*, etc.), many of whom own huge compact estates containing hundreds of villages apiece and thousands of acres of fields and woods. Next we have a somewhat larger class, not exceeding a million or so, "who hold thirty acres or more by some special right to the land they farm." [17] We may regard them as *kulaks*; they are to be found in parts

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of the Punjab, the United Provinces, Gujerat, Bombay and Madras. At the other end of the scale, there are 32 million agricultural labourers, of whom 23 millions are totally landless. The rest, about 70 million petty farmers, form the backbone of India's peasantry. Some of them—a rapidly diminishing number—own their land. The others are tenants with an "occupancy" or other superior right, or sub-tenants holding from *zamindar*, *kulak* or from a superior tenant.

### 2. Small-scale Cultivation

The total area of British India is 687 million acres. 22 per cent. of this is land totally unfit for cultivation; 13 per cent. is covered with forests (State-owned), and 7 per cent. is current fallow. The land used for arable farming is 232 million acres, i.e. 35 per cent. of the whole. Actually the gross sown area is 267 million acres, the difference representing the area that is cropped twice a year. 80 per cent. of the land cultivated is given to cereals, pulses and sugar, nearly all of which is consumed in India. Agricultural research has been chiefly directed, however, not to these food crops but to crops raised primarily for export, such as cotton and jute, linseed, tea and coffee. It is "essentially dominated by the motive of producing cheap raw produce for the benefit of British commerce and the Indian bourgeoisie." [18]

Has the soil, tilled almost from the beginning of time—so it seems—lost its fertility? Expert opinion as summarised by the Royal Commission on Agriculture is that "a balance has been established and no further deterioration is likely to take place under existing conditions of cultivation." In plain language it means that the position is so bad that it cannot possibly get worse.

23 per cent. of the land—equal to over two-thirds of the area now sown—is cultivable but not yet cultivated. A part of this, at any rate, could be brought under the plough if irrigation facilities were available. However, in this respect even the area already under cultivation is badly served. [19] The average rainfall in India, 37

inches, is adequate if not abundant, but much of it is wasted. Artificial irrigation has been employed from the earliest times. There are many ancient canals and dams, and thousands of tanks and wells. [20] Due to long neglect, many of these have been silted up and are out of repair. Some large irrigation works have been built by the Government during the last half a century—mostly in the areas producing export crops—but their extension is hampered by the condition that a project should be capable of showing a profit of 6 per cent. on the capital invested within ten years of its completion. The result is that only a fifth of the land under cultivation is protected by irrigation of any kind, while the remaining four-fifths is dependent on the vagaries of the monsoon.

An impoverished soil and a precarious water supply—these are two of the dominant features of agriculture. The third is the excessively small scale of cultivation. An inquiry in the Punjab showed that 22·5 per cent. of the agriculturists cultivated 1 acre or less; 33·3 per cent. between 1 and 5 acres; 20·5 per cent. between 5 and 10 acres and 23·7 per cent. cultivated 10 acres or more. With the exception of Bombay, where conditions are similar, the other provinces have much smaller average areas per cultivator. Nearly a quarter of all holdings are under 1 acre, half of them under 5 acres and three-fourths of them under 10 acres. Dividing the total area of land cultivated by the number cultivating it, we get an average of about  $2\frac{1}{2}$  acres per agriculturist. Moreover, these holdings consist not of solid stretches of land but of isolated fragments scattered discontinuously over the village area. In parts of Bengal, Bihar and the United Provinces, fields the size of a tennis court are common; in other areas, too, there are ludicrously small plots, some so small that it is scarcely possible to turn the bullocks round in ploughing. Whatever may be the size of an "ideal" holding, there can be no doubt that the present division of the land cuts at the root of agricultural efficiency.

Not that the peasant does not know his job. [21] He inherits the skill and experience of ages of successful farm-

ing, and his technique is on the whole adapted to the soil and the climate. But to-day he is not a farmer so much as an allotment holder. Efficient cultivation means intensive cultivation. And intensive cultivation requires permanent improvements on land and irrigation, the use of fertilisers including artificial manures, healthy livestock, cheap and rapid transport, and other things which are all beyond his reach. Even his present methods of tillage and his meagre capital equipment—usually a pair of bullocks, and a plough costing about five shillings—are in many cases not fully utilised, owing to the minute, not to say microscopic, size of the holdings and their fragmentation, which entail endless waste and inefficiency. [22]

What this means in terms of crop output is shown in the following table, which gives the yield per acre of some representative commodities in different countries.

	<i>Rice</i> ( <i>quintals</i> )	<i>Wheat</i> ( <i>quintals</i> )	<i>Cotton</i> ( <i>pounds</i> )
India . . . .	16.5	8.1	110
China . . . .	25.6	9.7	204
Japan . . . .	30.7	13.5	—
U.S.A. . . . .	16.8	9.9	141
Egypt . . . .	—	—	300

In India an acre of land produces less, much less in some cases, than in practically every other country. The figures for rice and wheat are particularly significant. Nearly half the area sown is under these two crops—35 per cent. under rice and 10 per cent. under wheat; and intensive hand-cultivation is seen at its best in the rice-fields. Yet so high are the costs of production, there is so much waste of land, labour and time that special duties have had to be imposed to keep out wheat and rice from countries where agriculture is better organised.

### 3. *The Land-tax*

Considered merely as an economic question, the peasant's cardinal disability is the existing division and distribution of the land. It strangles cultivation by

steadily narrowing down the area ploughed and sown by each cultivator, and it reduces his annual income to a pitiful figure. Even this is not his own. He must share it with others, regardless of the value of their services. The foremost of such claimants is the State.

The land-revenue system is exceedingly complex. There is no uniformity either in the period for which the tax is assessed or in the basis of assessment. Roughly over half the country the tax has been fixed in perpetuity, and in the other half it is revised, i.e. enhanced, at intervals varying from twenty to forty years. The basis of assessment is in some cases the "total assets" of an estate; in others it is the economic rent, the net produce, etc. The local officer is allowed considerable discretion. [23]

The essential feature of this very intricate system is that it bears most heavily on the poorest classes of cultivators. Those whose tax liability has been fixed for ever are the big *zamindars*, brought into existence a hundred years ago by the British and endowed with estates often including a thousand villages each and scores of thousands of peasants. In Bengal they pay the Government about £3 millions, while the amount they collect from the peasantry has risen to about £13 millions. Where the tax is not fixed in perpetuity, a system of suspension and remission of tax dues is in force to help the peasant tide over bad times. How effective this is in practice may be judged from the fact that while, in the last crisis, agricultural prices fell roughly by 50 per cent., land revenue did not fall by more than 0.8 per cent. [24]

Again, in districts where the revenue rates are based on the rental value of land, the richer peasant with land to let or sub-let is better off than the others because, the demand for land being acute, the actual rents paid are often far in excess of the economic rent as computed by the officials. Whatever the method of assessment, the peasant's capacity to pay is never taken into account. The land-tax is in theory the Government's share of the surplus produce, but half the holdings are under five acres and there is most often no surplus at all. The tax is

exacted at the same rate, whether the peasant has one acre or thirty. Besides, water from Government irrigation works has to be paid for separately in most parts of the country; and it is, of course, the cultivator who bears the main burden of the taxes on sugar, kerosene, oil, salt and other articles of general consumption.

#### 4. The Landlord

Next to the exactions of the State are the exactions of the landlords, who between them hold about 75 per cent. of the agricultural land. There are broadly two types of landlords: (1) the *zamindars*, *taluqdars*, etc., who were put in possession of vast estates by the British as a matter of political expediency: they are to be found in Bengal, Bihar, the United Provinces and in a few scattered districts elsewhere; and (2) those who have acquired ownership, by purchase or otherwise, in the course of the last hundred years. More than five-sevenths of the cultivable land is to-day in the hands of one-third of the landowners. India is really a country of petty tenant farmers; only a quarter of the land is tilled by peasant proprietors, i.e. by peasants who are directly assessed by the State for land-tax.

It is difficult to say exactly how much is the toll levied by the landlords on the tenantry. Some indication is contained in the fact, mentioned above, that the Bengal *zamindars* are able to meet their tax dues with less than 25 per cent. of the rents they collect. The proportion of land revenue paid by the landowners to the net rental of their properties is equally low in the other landlord areas. It varies from 10 per cent. in some parts of Bihar to 42 per cent. in the recently settled districts of the Punjab, but it is very rarely over 50 per cent. A survey of twenty-seven farms in the Punjab showed that less than 18 per cent. of the produce was enjoyed by the actual cultivator and 82 per cent. was taken by the landlord. What is more, the landlords have no interest in cultivation and give nothing in return for the money they extort through their agents. Many tenancy and rent Acts have



been passed to protect the peasants, but they have not been conspicuously successful. Rack-renting is universal and eviction for non-payment of rates is widespread.

It is quite common for landlords in many parts of the country to exact miscellaneous payments and services from the peasants. In Bengal the amount collected in this form—which is, of course, in addition to the rent—is estimated variously from £9 millions to £4 millions. In the United Provinces tenants are sometimes forced to contribute to the upkeep of the *zamindar's* motor-car or his elephants. “Among the less legitimate exactions . . . we find that a tenant is expected to give his landlord a *kachcha* maund of wheat whenever a wedding takes place in the family of the latter, also to give one day's ploughing each season to the *sir* land of the *zamindar*. The non-cultivating residents of a village have likewise to add their quota to these unlicensed dues.” [25] In the Punjab, it is said that there are only 5 per cent. of the bigger land-owners “who do not in one form or another oppress their tenants by letting their horses graze in their fields, by impounding their fowls when guests have to be entertained or by running cases against good men who leave them and harassing them till they return.” [26]

### 5. *The Money-lender*

Fundamentally, it is these conditions which drive the peasant into the money-lender's arms. His land does not produce enough for him to live on. What it does produce has to be shared, in some cases with the Government, in most cases with a landlord; and the majority of peasants are dependent on landlords of the *zamindar* type whose rapacity knows no bounds. Very little of the money that the peasant borrows is applied to a productive purpose, i.e. to effect improvements in the land, etc. It only helps him to pay off old debts, discharge his rent and revenue obligations and maintain him and his family from one harvest to the next. The bulk of the agricultural debt thus represents the supplementary capital needed to keep alive the

peasant population of a country whose agricultural system has deteriorated to the verge of bankruptcy.

The total figure of indebtedness is enormously high. Official and semi-official estimates put it at £225 millions in 1911, £450 millions in 1922 and £675 millions in 1930. Since then, as a result of the economic crisis, it has risen by a further amount which has been variously estimated at anything between 50 and 100 per cent. These figures are conjectural, and it is possible that they err on the side of under-estimation. The total to-day can hardly be less than about £1,200 millions—which is about 600 per cent. more than it was a generation ago, considerably more than the average annual value of India's agricultural output and many times the land revenue. In the words of an official handbook, "indebtedness, often amounting to insolvency, is the normal condition of a majority of Indian farmers." [27]

"Everything is against him [the peasant]. Because he is a cultivator, he must borrow to secure his crop. Because his holding is small and has to support more persons than it can feed, he must increase his borrowing to keep those persons alive while the crop is in the ground. His caste and his religion compel him to borrow a third time to meet the cost of customary festival or customary ceremony. As the debt grows, the repayment of it becomes more difficult—until at last some calamity comes upon him, repayment becomes impossible, and he sinks into a state of chronic indebtedness from which death alone can release him." [28]

The actual burden of the debt cannot be revealed by statistics, for interest rates are extortionate, the money-lender is often guilty of serious malpractices and the peasant's capacity to pay has been further undermined in recent years by the fall in agricultural prices. "Spasmodic pressure brought to bear on money-lenders at irregular intervals in 'debt-conciliation proceedings,' i.e. 'voluntary scaling down of debts under the persuasion of an officer,' is of doubtful efficacy." [29] The consequence is that, although the peasant launches into debt in a frantic effort

to maintain his social and economic position, in the end he loses both. If a tenant, he is ejected for non-payment of rent, and if he "owns" the land his property passes to the money-lender for non-payment of interest. He becomes the money-lender's bondsman or joins the army of landless labourers whose numbers increased from 21 to 31 millions between 1921 and 1931.

### 6. *The Agricultural Labourer*

The class of agricultural labourers, employed irregularly by the more prosperous farmers, is the poorest section of the peasantry and the most heavily ground down of all. Their wages vary between 1 and 3 *annas* a day (an *anna* is equal to about 1*d.*) over the greater part of India. "Only during the busiest days of the harvesting and sowing seasons a male labourer might be paid as much as 4 *annas* a day. Women labourers are hardly ever paid more than 2 *annas* a day except during the cotton-picking season when they work on piece rate and might earn an *anna* or two more per day. It is also customary for the employers to pay some grain to the worker either daily or at the harvesting season. It should, however, be noted that the field labourers are employed only for a part of the year. For no less than six months in the year they have no income at all and have to live on the earnings of the busy season." [30]

A small class of fairly well-to-do farmers, about 30 millions of practically destitute labourers earning tuppence a day, and the main body of the peasantry struggling to coax enough out of their diminutive holdings to appease the Government or the landlord and the money-lender—such is the picture that emerges from the facts we have given. In the words of a Government handbook which will not be suspected of misrepresentation, "the majority of them [the peasants] are living at or just above the economic level [precisely what this means is not clear: presumably that they are just able to ward off starvation] . . . Poverty and wealth, moreover, are relative terms. The well-to-do class just mentioned is well-to-do *only* by

## THE PEASANT

the prevailing standard of comfort, the poorest class is poor *even* by that standard; and compared with the standards of European nations the Indian standard is miserably low" [31] Another expert, writing in the same volume, declares that "it is not surprising that since he [the peasant] cannot increase his income he is sometimes tempted to reduce his expenditure by such a dangerous expedient as refusal to pay his rent, or canal dues, or interest" [32] Indeed, it is not surprising, but why and to whom is the expedient dangerous?

## CHAPTER IV

### THE WORKERS

#### 1. *The Unorganised Workers*

OF the 50 million non-agricultural workers, roughly 15 millions constitute, as we have seen, the upper and middle classes: merchants, professional people, traders, officials, landed proprietors, etc. Not more than 5 millions are employed in the organised industries. Of the remaining 30 millions, a small fraction, a million or so, consists of those engaged in unproductive occupations: religious and semi-religious mendicants, monks, beggars and vagrants of every description. Some are returned as "domestic servants," others are general unskilled labourers and a great many more are artisans in various degrees of dependence working either at home or in small workshops and factories. Little statistical information is to be had concerning this immense body of workers, but they are numerically six times as important as those employed in modern establishments, mines, factories, railways, etc.

The plight of the unskilled labourers is perhaps the most wretched of all. There are approximately 7 or 8 millions of them, employed in public works, building and road work, irrigation and bridge construction, and work of several kinds in docks, harbours, railways, etc. The biggest employers in this field are the provincial governments, and local bodies like district boards and municipalities. The work is usually put in the hands of contractors; there is no stipulation as to the wages paid, and adult workers have been known to receive as little as one or two pennies a day.

Two important groups of workers in the non-factory industries are the handloom weavers (about 3 millions) and a group of approximately 2 millions engaged in personal service trades (washermen, barbers, hairdressers, etc.).

These are in the main family occupations, the worker's wife and children assisting him; and there is no statutory limitation of hours or working conditions. As a class the handloom weavers—like the other nominally independent small producers—are dependent on the middleman-moneylender who connects them with the market, and the great majority of them are in debt to him. [33] Their average annual earnings have been estimated at about £17, while that of the barbers and washermen comes to a slightly higher figure.

The vast majority of the workers, however, are employed in countless small workshops and factories. These are not covered by the Factories Act, either because they do not use power or because they do not employ more than ten or twenty persons each. Wages are seldom more than a few pennies a day, there is no restriction of hours and working conditions are abominable. In the tanneries, "hours of work often exceed twelve, and in the Madras Presidency children from eight to twelve as well as older boys are found at work at night. Their hours sometimes exceed those of the adults, and for performing additional tasks . . . no additional cash wages are paid, but merely two cloths per year. . . . Wages vary widely, from Rs 8 to Rs 10 per month (12s. to 15s.), for the great majority. But there is no date for the payment of wages, and in some tanneries the workers have to wait until the 20th of the following month." [34]

Of the *beedi* factories—*beedies* are cigarettes made of coarse tobacco—the Whitley Report said: "Many of these places are crowded so thickly on the ground that there is barely room to squeeze between. Others are dark semi-basements with damp, mud floors, unsuitable for manufacturing processes. particularly in an industry where workers sit or squat on the floor throughout the working day." "In these factories very young boys are employed for long hours, the smaller children being preferred for their supple fingers in rolling the dry leaves into cigarettes. It is the general practice for children to begin work at five or six years of age, and work without a weekly rest-day for

ten or twelve hours a day on a wage of about two *annas*. Many of the parents of these child-workers are in debt to the employers and pledge their labour as a method of repayment of the loans." [35] Conditions are very similar in other small factories, carpet factories, mica factories, shellac factories, etc.

## 2. *The Industrial Workers*

While it is estimated that 5 million persons are employed in organised industries, the average daily number of workers is only about  $3\frac{1}{2}$  millions, distributed as follows: about a million and a half in the factories, a million in the plantations, over three-quarters of a million in the railways and a quarter of a million in mines and quarries. (These figures include about a million women workers, of whom 250,000 are employed in factories, and nearly half a million children under fifteen, of whom about 12,000 are employed in factories.)

The workers are mostly expropriated peasants, agricultural labourers, village craftsmen and others who have been rendered jobless by the advance of machine-made goods. They are driven to the city by the hunger and destitution prevailing in the rural areas—not drawn by the lure of urban life. Until recently it was quite common for them to return to their villages when they had saved a little money. But partly owing to the intensification of agrarian distress, the labour force in many important industrial centres is losing its migratory character. The worker still has his ties with the village, no doubt, and in some of the seasonal factories most of those employed are still essentially agriculturists; but in the larger cities a permanent industrial proletariat, more or less completely divorced from agriculture, has come into existence within the last two decades. No special effort is now required to recruit new workers. "Outside the gates of a factory in an industrial area in any part of India are hundreds, if not more, of the unemployed, waiting every morning to be taken as *badlis* (substitutes) in the place of those who are absent for shorter or longer periods. There is such

keen competition to secure even temporary work, that the workers (the vast majority of whom are illiterate) do not hesitate to sign any agreement that is put before them, in the hope that at least after serving their apprenticeship for a few months they will be entertained as regular workers with a fixed wage." [36]

Though the workers knock in such numbers at the factory gate, they are not engaged directly by the management, but by a jobber who acts at all times as the intermediary between them and the employer. He is usually a promoted workman himself. The newcomer must bribe him—either in advance, or with the promise of a month's wages or by personal service—before he can expect to be taken on. "Even later, when the worker has been placed on a permanent footing, he is dependent on the jobber for leave, promotion or transfer from one piece of work to another. Nothing, in fact, can happen in an Indian factory without some price being paid, and it is a common practice to follow a definite schedule in regard to payment." [37] (The jobber, by the way, becomes indispensable to the employer when it is a question of breaking up trade union activities or smashing a strike.)

A consolidated Factories Act was passed in 1934, under which the adult's working hours are limited to ten per day and fifty-four per week. The employment of children under twelve is prohibited and the working hours of those under fifteen are limited to five per day. The Act also makes a number of provisions with regard to the health and safety of the workers. Since it came into operation, "there is no doubt," writes a competent observer, "that conditions inside the factories are gradually improving." [38] But there is, all the same, much laxity in the enforcement of the Act: a considerable proportion of factories are not inspected at all, and even when a serious breach of the law is discovered, the employer is often not prosecuted, or, if prosecuted, let off with a light sentence. Moreover, a large number of factories—and not only small workshops—lie outside the scope of the Act, which affects only 1½ million workers employed in registered factories.



There was hardly any statutory regulation of hours and conditions of work in the mining industry until after the war of 1914-18. "The miner, his wife, and in many cases, his children, went underground, worked and rested in the mine, perhaps staying for twenty-four hours or more at a stretch: after they had cut enough coal they left for their village for a few days and came back after an interval." [39] Under the Mines Act now in force the employment of children under fifteen is prohibited and the hours of work underground are limited to nine per day. For work above ground, the hours are the same as under the Factories Act. The employment of women in underground work has ceased altogether, as a result of a gradual reduction in their number between 1928 and 1936. The accident rate in the mines is very high: they are, in general, managed with a reckless disregard for the safety of the workers and, as an official committee of inquiry reported not long ago, risks are taken which would not be possible "with less ignorant labour." [40] The daily wages of workers in the coal-fields average about 7d. for miners, 9d. for skilled workers, 6d. for unskilled workers and 5d. for women. These rates are in some cases 50 per cent. less than in 1927. In the mica mines the wages are even lower.

The great majority of the plantation workers are employed in the tea-gardens of Assam. Their recruitment, carried on by plantation agents known as *sirdars* or *kangaries*, has been attended by serious abuses. Drawn mainly from distant areas, they have often been enticed away under false pretences and forced to affix their thumb-prints to long-term contracts which they understood but imperfectly. This system of "indentured labour" was formally abolished in 1926 but, even after some years, the Government of Assam maintained that there would be grave risks if it were made known to the workers that they were not bound by such agreements and were free to go away. There is no legal limitation of working hours, and women and children work practically as long as men; nor are there any fixed standards either for the calculation or the payment of wages. In the South Indian plantations

wage rates before the depression were 7*d.* per day for men, 5*d.* for women and 2*d.* for boys and girls; they have since been reduced to 4*d.* or 5*d.* for men and less than 3*d.* for women. In the Assam tea-gardens men are paid about 4*d.* per day, women 3*d.* and children 2*d.*; in the Surma Valley, the rates are even less: 3*d.* for men, 2*d.* for women and under 2*d.* for children.

Nearly 50 per cent. of the workers in organised industries are employed in the textile factories. Wage rates vary within wide limits, but some idea of the position can be obtained from the following figures, which relate to the wages of weavers, the highest-paid workers in the industry. In the Ahmedabad cotton-mills a weaver on two looms makes Rs 45 to Rs 50 a month (£3 7*s.* 6*d.* to £3 15*s.*). Everywhere else the rates are much lower. In the Central Provinces, about Rs 15 (£1 2*s.* 6*d.*) for a worker on one loom and Rs 30 (£2 5*s.*) on two looms; in Cawnpore, between Rs 35 (£2 12*s.* 6*d.*) and Rs 45 (£3 7*s.* 6*d.*) on two looms; in Coimbatore, about Rs 125 (£1 17*s.* 6*d.*) on two looms; and farther south a weaver on four looms is paid no more than Rs 25 (£1 17*s.* 6*d.*) to Rs 30 (£2 5*s.*). Weavers in the Calcutta jute-mills make about Rs 25 a month, but in other departments wages are much lower and a great number do not earn even Rs 12 (18*s.*) a month. Similarly, in the spinning section of the cotton industry, wages in the south range from Rs 10 (15*s.*) to Rs 14 (£1 1*s.*) a month; they are slightly more in other parts of the country. Workers in the ginning and pressing mills are paid at about the same rate. In short, while the highest-paid workers in the best-paid centres of industry earn about 2*s.* a day, the wages of all the others average around 8*d.* or 9*d.*

It is not difficult to see why the overwhelming majority of workers, like the peasants, are hopelessly in debt. Not only have they no initial resources with which to bribe the jobber and on which to maintain themselves till they drew their wages—often weeks later; not only have they no margin for occasional expenditure—marriages, funerals, etc.—and to tide them over periods of sickness and unem-

ployment; but their income is seldom sufficient to feed and clothe them even in normal times. "One of the most common debts is that for grain. . . . The dealer is ready to make an extra profit of an *anna* per rupee by allowing the bill to run for a month which . . . is a great accommodation but amounts to paying ruinous interest." [41] It is estimated that the average debt would be equivalent to three months' earnings or more, the rate of interest being 75 per cent. per annum. [42] The debt is hardly ever repaid, nor does the money-lender desire it; he is only concerned with the regular payment of interest, and is content to go on collecting it, often by methods of violence and intimidation. [43] These payments constitute a heavy drain on working-class budgets and are only made possible by the sacrifice not only of petty luxuries but often of the primary necessities of life. [44] The percentage of the worker's income spent on food alone is "far higher than in the case of any other country in the world, including China." [45]

### 3. *The Untouchables*

One element in the population of India has yet to be considered—the depressed classes, or "untouchables." [46] They are not distinct from the categories of workers we have considered: they are intermixed with them; nor do they form a homogeneous body: there are numerous subdivisions among them, "each superior grade considering the inferior grade as polluting as the highest class of caste Hindus regard the worst grade of untouchables." [47] There is no agreement as to their numbers, but the lowest estimate is about 20 millions.

The social disabilities from which they suffer are in the main that they are compelled to live in isolated hamlets or in separate quarters of a town and are forbidden to enter Hindu temples or use wells that the higher castes use. In some rural areas they are also denied free use of the roads and their children are occasionally refused admission to schools. A campaign against "untouchability" and all the discriminations it implies has been carried on

by Gandhi with notable success in many parts of the country, and in the general relaxation of caste rules the social conventions which uphold untouchability are also disappearing.

The real grievances of the untouchables do not arise from their being denied access to temples or roads—these grievances are, in fact, being rapidly remedied—but from the fact that they belong to some of the poorest and most highly exploited sections of the Indian workers. The majority of them are agricultural labourers and workers in the plantations and tanneries. Factory labour is also to some extent recruited from amongst them. Their future cannot be isolated from that of the workers and peasants as a whole.

#### 4. *Unemployment*

We have described the position of the workers and peasants as though they were all fully employed. That is, of course, not the case. Unemployment is one of the outstanding features of contemporary India—unemployment on a scale unparalleled in the West. [48]

Industrial unemployment in the familiar sense, due to fluctuations in the demand for goods, was practically unknown before the war of 1914-18; but the last depression brought about a fall of nearly 12 per cent. in the numbers employed in mines, railways and factories. Only a fraction of those thrown out of work at this time have since been taken back into industry. There is, moreover, a large volume of middle-class unemployment: in Madras, two test advertisements for clerical posts at a salary of less than £3 a month drew answers from hundreds of applicants—666 in one case and 787 in the other. And large numbers of skilled artisans are out of work—nor have they a prospect of work.

More important, however, if only because of the immensity of the numbers involved, is the unemployment among cultivators and unskilled workers. Even those who have land to cultivate are employed only for part of the year. This period of enforced idleness, which varies in

different regions, has been estimated at from three to nine months. Agriculture, as it is organised at present, entails hard work for certain short periods, and "almost complete inactivity for the rest of the year. In precarious tracts, inactivity may be unavoidable for a whole season, or even for a whole year. These periods of inactivity are, in the great majority of cases, spent in idleness." [49] They *could* be devoted to subsidiary industries—dairy-farming, cattle-breeding, market-gardening, etc.—but the peasant, sunk in debt as he is, has neither the knowledge nor the capital needed to start these sidelines. [50]

Apart from such seasonal unemployment which affects the majority of the peasants, there is a volume of "disguised" or general unemployment among the poorer peasantry and the agricultural labourers—from whom the urban workers are recruited—which defies computation. This is due fundamentally to the backwardness of agriculture under imperialism and the arrested development of industry, which are India's major economic problems.

## CHAPTER V

### THE STANDARD OF LIVING

#### 1. *The Annual Income*

THE preceding survey has given us some indication of the incomes of the masses of the people. Excluding the cultivators, most of whom, clinging to dwindling plots of land, are on the brink of insolvency and steeped in debt, we have sixty or seventy million agricultural and industrial workers holding on to dear life by the skin of their teeth. Very few of them—a fraction of 1 per cent. at the most—earn as much as 1s. or 1s. 6d. per day (i.e. between £12 and £18 a year); all the rest toil and sweat for a few pennies a day. Industrial workers get a trifle more than agricultural workers; and those engaged in the “professions and liberal arts” have a slightly higher level of income than industrial workers, but it is not very much—about £20 a year.

Apart from the princes, some of whom have fabulous fortunes, there is indeed a relatively wealthy class, but it is extremely small. Including professional workers who earn over £150 a year and are accordingly assessed to income-tax, it numbers about a million persons in all, or 5 millions if we include their dependents as well. It is estimated that the total income of this class is around £300 millions, which is roughly one-sixth of the national income available for consumption in India.

With the exception of this insignificant minority, the average *per capita* income of the remainder of the population—practically 348 millions out of the 353—works out at £4 16s. a year, i.e. £24 per family of five. In terms of daily earnings, this comes to something over 3d., a figure which approximates closely to the wages of many classes of workers. An average family of five persons in India has thus to make ends meet on 1s. 3d.—less than a rupee

a day. [51] These calculations take no account of the differences in the income-levels of different groups.

How do the Indian people exist, if their individual earnings amount to no more than what even the poorest unemployed English worker spends on beer or tobacco? No intricate economics of differences in price-levels is involved here. The answer is simple: they exist in conditions of unspeakable squalor and ignorance and disease and starvation.

## 2. *Education*

Until the eighteenth century, and in some parts of India even well into the nineteenth, there was a "widespread system of elementary and higher education, of which the former was mainly practical, the latter mainly literary, philosophical and religious." [52] To-day not one village in three has a primary school. There is one middle school for every 100 square miles, one high school for every 315 square miles and one arts college for every 4,000 square miles. Except in a few hundred municipalities and rural areas, elementary education is not compulsory. The illiteracy and ignorance of the masses naturally impedes progress in every direction—economic, social and political; but it is not inconvenient to the employers, much less to the landlords and money-lenders, to whom it offers numerous opportunities of defrauding the worker or peasant even of the rights that he has according to the statute book. Only ten persons out of a hundred can at present read or write, and out of this ten about 2·5 per cent. are literate in English.

These facts reflect the impact of the British conquest. The decline of the traditional system of education was a phase of the general break-up of Indian society in the nineteenth century. The neglect of mass education merely showed that the new rulers of India had not come to the country to indulge in "social uplift"; and the excessive importance attached to English was the natural consequence of their desire to economise in administration by creating on the spot a class of minor officials instead of

importing every clerk and civil servant from England.

The educational system that took shape in these conditions must surely be one of the most perverse and irrational in history. Its object was not intellectual development or character building or training for citizenship or any of the other "ideals" familiar to pedagogues, but solely to impress on middle-class Indian youths the glory and grandeur of Britain and to train them to be competent servants of a foreign bureaucracy. It was vocational education with a vengeance: vocational education of a vicious and stultifying kind which cramped the mental energies of a singularly gifted people, stifled free inquiry, discouraged criticism and threw the weight of the curriculum on such matters as English syntax, Shakespearian prosody and the dates of kings and queens, who had reigned over England.

With the growth of nationalism, the middle classes have been slowly emancipating themselves from their servility to English culture. Methods of teaching in schools and colleges are being widely criticised. Many experimental and progressive "national" institutions have been started. Educational reform is very much in the air, and there is widespread unrest among the students. But the most significant development is the attention being given to the question of mass education. Student groups spend their holidays in the countryside—as in China—liquidating the villagers' illiteracy, and the Congress Governments in some of the provinces organised a drive for mass education on a large scale.

### 3. *Housing Conditions*

There are palaces and airy mansions and magnificent flats and bungalows in India, but the great majority of the people are housed in appalling conditions.

The average village dwelling is a low, flimsy, crooked structure with mud walls, a mud floor and a thatched roof. Even in the Punjab, where the standard of farming living is the highest in northern India, the huts are "low-roofed, windowless, airless and miserable abodes.



In the winter nights of December to February they [the peasants] are so ill-clad that a closely shut mud-box [as someone called these huts] is their chief protection against the bitter cold." [53] A characteristic feature of India is that in some provinces the villages are often more overcrowded than the towns. According to the Madras Census Report, "the *paracheries* [slums in which the depressed classes live] may safely be counted upon to produce the worst examples of housing." [54] In large parts of northern India, the huts are huddled together at all angles without regard to drainage or ventilation, whilst the streets are narrow and tortuous and sometimes impassable owing to the collection of refuse water from the house drains and the excreta of village cattle." [55] There are districts in the United Provinces where as many as eight to twelve persons have been found to live in such huts, men and women, young and old, sleeping together in the cold weather with goats and cattle. [56]

Most of the urban workers live in one-roomed mud-huts with a small verandah in front. They are usually 8 feet by 6 feet by 6 feet. In the more important industrial centres they are crowded together in slums known as *cheries*, *bustees*, *lines*, etc.; there are also *chawls* or tenements. "It would be impossible to describe the condition of these *bustees*—filthy, disease-ridden hovels, with no windows, chimneys or fireplaces, and the doorways so low that one has to bend almost on one's knees in order to enter. There is neither light nor water-supply, and, of course, no sanitary arrangements." [57] The huts in the *cheries* are often made of old kerosene tins. They are so flimsy that they afford no shelter either in the rains or in the hot weather. When there is a heavy downpour the whole area becomes swampy and many of the huts are washed away.

Seventy-four per cent. of the population of Bombay and 90 per cent. of its industrial workers live in one-roomed tenements. The average number of occupants per room is 4.01. A woman investigator found six families in one of the rooms measuring 15 feet by 12 feet. "Six separate

ovens on the floor proved this statement. On inquiry I ascertained that the actual number of adults and children living in this room was thirty. Bamboos hung from the ceiling, over which at night clothes and sacking were flung, to partition each family allotment. Three out of six women were shortly expecting to be delivered. . . . The atmosphere of that room at night, filled with smoke from the six ovens and other impurities, would certainly physically handicap any woman with an infant before and after delivery. This was one of the many such rooms I saw." [58] Such extreme overcrowding is not confined to Bombay or Calcutta; it may be found in nearly every large town in India, and thousands of workers sleep in the streets because there is not space enough for all the occupants of a room to lie down in it.

Most of the dwellings available to the workers leave almost everything to be desired in regard to sanitary arrangements. No proper provision exists for the supply of water, or for drainage. "Neglect of sanitation is often evidenced by heaps of rotting garbage and pools of sewage, whilst the absence of latrines enhances the general pollution of air and soil. Houses, many without plinths, windows and adequate ventilation, usually consist of a single room, the only opening being a doorway often too low to enter without stooping. In order to secure some privacy, old kerosene tins and gunny bags are used to form screens, which further restrict the entrance of light and air. In dwellings such as these human beings are born, sleep and eat, live and die." [59]

#### 4. *Disease and Starvation*

A low, miserable hovel in a village or a small town; an insanitary, congested tenement room; without a protected water-supply, without drainage, with little light, natural or artificial and with less air—such are the places where the workers and peasants are housed, where they eat and copulate and store their meagre belongings. For the record of their life and death we must turn to the vital statistics.

The average expectation of life of the new-born infant is less than half as many years as that of the English infant; it has declined from 30 years in 1881 to 26.9 in 1931. The general death-rate is 24 per thousand against 12 in England. Maternal mortality per thousand births varies from 2.4 in Holland to 8.5 in the U.S.A.; in India it is 24.5. Again, the infant mortality rate, viz. the death-rate among infants under one year of age, is one of the highest in the world: 164 for every thousand live births against 57 in England.

During the first three decades of this century the mortality from the chief epidemic diseases has been estimated as follows: cholera 10.75 millions; influenza 14 millions; plague 12.5 millions; and malaria 30 millions. The causes of death in an average year and the number of victims are given in the table below.

	1935	Average for 1926-35	†
	<i>(in thousands)</i>		
Dysentery and diarrhœa . . . . .	279	247	
Cholera . . . . .	217	220	
Plague . . . . .	32	71	
Small-pox . . . . .	91	84	
Respiratory diseases . . . . .	483	415	
Fevers . . . . .	3755	3669	
All other causes . . . . .	1722	1629	
	<hr/> 6579	<hr/> 6335	

The number of deaths every year from preventable diseases alone is 5 to 6 millions. The number of days lost by each worker for the same reason is estimated at two or three weeks in a year, and the loss of efficiency due to disease and malnutrition at not less than 20 per cent. Millions of people are afflicted with loathsome diseases—leprosy, syphilis, tuberculosis, etc., etc. A hundred million persons are estimated to suffer from malaria every year, while the lowest estimates put the number of blind in India at 450 per hundred thousand (about three times the proportion of England and Wales). Tuberculosis is on the increase.

These ghastly conditions are aggravated by the totally inadequate facilities for medical assistance. There are not

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more than 600 centres concerned in maternity and child-welfare work, and these are irregularly distributed and leave the rural areas untouched. (The corresponding figure for England and Wales is over 3,000.) There are fewer than 7,000 hospitals and dispensaries in British India with a total of 70,000 beds. This gives one hospital or dispensary to every 163 square miles and to every 40,185 persons. And although there is a heavy demand for quinine, the incidence of malaria being high, its supply falls short by over 1,000,000 lb.

But the real gravity of the situation does not lie so much in the wide prevalence of disease or the comparative absence of medical supplies and services, as in the decay of the people's vitality and their physical degeneration. This is due fundamentally to lack of food. "The low standards of physical development of the majority of the population in India are associated with improper nourishment, as also are the prevalence of such diseases as rickets, osteomalacia, kerato-malacia, anæmia of pregnancy and one form of beri-beri. Lowered resistance to many other diseases is caused by malnutrition." [60] The average consumption of milk is only 7 oz. per head per day, against the European standard of 35 oz. Its liberal use even for infants and mothers is unknown. It was found in Bombay that the average quantity of milk consumed per head in working-class households was less than  $\frac{1}{2}$  oz. supplemented by 0.05 oz. of melted butter. In Madras 98 per cent. of the family budgets investigated contained no reference to milk or its by-products. In general, the Indian diet is grossly deficient in proteins and vitamins.

A great majority of the population actually exists on one meal a day. Inquiries into about 2,000 working-class budgets from various parts of the country showed that about 60 per cent. of them spent on food a sum less than that considered to be a minimum by the Bombay Textile Labour Union. "In several parts of northern India the industrial workers cannot afford anything more than parched gram and coarse sugar for the midday fare, the evening meal generally consisting of wheat-flour cakes and

lentils. Vegetables, oil, *ghee* and fruit enter but little into their dietaries. In the rice-eating areas, as in Madras, the position is not substantially different: a meal of cold rice (boiled the previous night) with salt for breakfast, rice and lentils at midday and repeated at night; with very few vegetables, practically no fruit, milk or *ghee*." [61] The following table speaks for itself. [62]

TABLE SHOWING THE COMPARATIVE DAILY CONSUMPTION OF FOOD PER ADULT MALE IN THE HOMES OF FREE INDUSTRIAL WORKERS AND IN THE PRISONS OF BOMBAY

Items of Foodstuffs	Industrial Workers		Convicts	
	Bombay	Madras	Light Labour	Hard Labour
	lb.	lb.	lb.	lb.
Cereals . . .	1.29	1.13	1.38	1.5
Pulse . . .	.09	.07	.21	.27
Meat . . .	.03	—	.04	.04
Salt . . .	.04	.05	.03	.03
Oils . . .	.02	.03	.03	.03
Food adjuncts .	.07	.09	—	—
Total . . .	1.54	1.37	1.69	1.87

The workers fare worse than convicts; yet their diet is more varied and adequate than that of the peasants and agricultural labourers. Throughout India, even among Moslems and Sikhs who are not restrained by taboos against meat, "it is only the solvent cultivators who consume it once a month, and even less frequently." [63] In many Bengal and Bihar diets, *ghee*, milk and sugar do not occur at all. The Director of Health, Bengal, observed some years ago—before the depression—that the peasantry of the province were "taking to a dietary on which even rats could not live for more than five weeks." [64] In the United Provinces the diet E of the jail code consists of about 23 oz. wheat, 5 oz. gram dal and 4 oz. vegetables and condiments: the average daily consumption in the villages is estimated at 16 oz. cereals, 4 oz. dal and 4 oz. vegetables and condiments. "It would be a mistake to

suppose," said a nutrition expert not long ago, "that the average dictaries of the mass of the population is on a par with the jail dietaries." [65] Exact statistics for the whole country are not available, but a preliminary survey shows that 20 per cent. of the people are "very badly nourished" and 41 per cent. are "poorly nourished"; only 39 per cent. can be regarded as at all "well nourished." To put it bluntly, at least two-thirds of the people are starved.

Nor is this merely a question of malnutrition, i.e. of the ill-advised consumption of foods deficient in proteins and vitamins; it is just plain starvation, due to excessive poverty. Estimates have been made of the respective costs of well-balanced and ill-balanced diets. "Considered in relation to the level of wealth and wages in India, the difference is enormous. If a coolie has to support himself, his wife, his father and three children on 16 rupees a month (6s. a week) the diet of the family will *inevitably* be ill-balanced, and probably insufficient in quantity as well." [66] Thus Dr. Aykroyd, one of the foremost authorities on the subject. Sir John Megaw, formerly Director-General of the Indian Medical Service, writes in the same strain:

"It is useless to tell people to drink more milk, or to eat more fruit and vegetables, unless we can show them how these articles can be obtained *in addition to* and not *instead of* part of the usual diet. Already many people cannot obtain enough rice and other bulky cheap foods to satisfy their hunger. To suggest expensive foods to these people would be just as reasonable as the remark attributed to Queen Marie Antoinette who, when told that the people of Paris were clamouring for bread, was said to have replied, 'If they have no bread, why don't they eat cake?'" [67]

## B. The Framework of Imperialism

### CHAPTER VI

#### THE BRITISH STAKE IN INDIA

THE Government of India has what is probably the unique distinction of beginning its life with a load of debt on its back. When, in 1765, the East India Company acquired possession of Bengal, it was already in debt, owing to the wars against the French in the Carnatic. This debt was fastened on the revenues of Bengal which were pledged, again, for the conquest of Mysore, while the revenues of Mysore were used, in turn, to subvert the kingdom of the Marathas.

Not only were the Company's wars in India waged with the aid of Indian money and Indian credit (to say nothing of Indian troops), but its commercial establishments from Canton to St. Helena were maintained out of Indian funds. And nearly every imperialist exploit undertaken by Britain in the East was likewise financed out of Indian resources: military expeditions to Ceylon and Singapore, wars against Nepal and against Afghanistan, wars in Persia and China and Burma—all these were charged to the revenues of India. Not British heroism alone, but the life-blood of the Indian peasant and coppers wrung out of the Indian worker helped to build the British Empire. The Revolt of 1857 cost £40 millions to put down: the victims of this not-too-gentle operation, the people of India, were made to pay for it as well. [68]. In 1858 India was transferred to the Crown, and Parliament generously compensated the Company for letting itself be abolished: its capital stock was redeemed at a total cost of over £37 millions—this bill, too, was presented to the Indian tax-payer. The Government of India thus started its career with obligations amounting to £112 millions. Like so many of her peasants

and workers who are born in debt, India entered the modern world as a debt-slave.

The amount of the debt has not stood still: it has grown continuously, and a great portion of the increase is due, again, to the wars fought by British imperialism in various parts of Asia and Africa. Between 1858 and 1914 no less than about £65 millions was added to the debt on this account. Among the wars and military expeditions of this period for which India had to foot the bill were: the Bhutan War of 1863, the Abyssinian Expedition of 1867, the Perak Expedition of 1875, the Afghan War of 1879-81, minor frontier wars between 1882-92 and the Burmese War of 1886. Then came the Great War of 1914-18, and it cost India over £250 millions. Financial mismanagement and ordinary budget deficits are reckoned to have swollen the debt by about £120 millions. And in addition to all this was expenditure on railways and irrigation works and expenditure incurred for famine relief. The total volume of the Government or public debt of India stands to-day in the neighbourhood of £900 millions. In 80 years it has increased by £800 millions—which is equal to an increase of 10 per cent. every year. The national income, on the other hand, is estimated to have grown at the rate of 1 per cent. per year.

Since 1875 the debt has been classified as (a) ordinary, and (b) productive. Productive debt is that portion of the debt which is completely or partially covered by revenue-yielding assets (e.g. railways), and the ordinary debt (caused by unproductive expenditure, as on wars), which does not yield any income, is paid for out of the general revenues. The respective proportions of these two categories to the total debt have varied from time to time. Whenever there was a budget surplus, the Government used it to reduce the ordinary debt but, simultaneously, the productive debt was increased by an equal amount. In effect, by treating budget surpluses as borrowed money, the ordinary debt was gradually transferred to the productive or public works category. (Special loans were also raised for this purpose.) By these not perhaps wholly orthodox methods, the



ordinary debt was brought down to less than £1 million in 1915; and the Government is able to claim that the major portion of the public debt (roughly £700 millions out of £900 millions) is now covered by "interest-yielding assets." This distinction, however, is of no great importance: for many years interest was being paid on assets, railways in particular, which yielded nothing but a huge loss.

More important is the question to whom the debt is owing. The debt has been raised both in England and India, in the form of sterling loans and rupee loans. Sterling loans and rupee loans have not always borne the same proportion to each other. Before the war of 1914-18, the Government confined its borrowings to the London money-market, with the result that the greater portion of the debt consisted of sterling loans. At the end of the war, however, the rupee debt amounted to nearly as much as the sterling debt. To-day it stands at about Rs 730 crores (roughly £550 millions), which is slightly less than two-thirds of the total debt, while the remaining third, £350 millions or so, is held by investors in England. But it should be noted that the rupee loan is not held solely by Indians. About 75 per cent. of it, in the years following the Mutiny, and about 50 per cent.—i.e. Rs 100 crores (£75 millions) out of a total of approximately Rs 200 crores—in 1918, was controlled by Europeans. Assuming that the proportion has not materially altered since—such statistics have not been published for any year after 1918—we are entitled to conclude that the bulk of the Indian "national" debt is held in one form or another by British investors.

It is less easy to calculate the volume of British investments in India on private account. It is generally agreed that they do not exceed, if they equal, the sum invested in Government securities. They must nevertheless be very considerable, for the magnitude of the British hold on India's economic life is not in dispute. About half the capital in industrial, mining and transport concerns, and much more than half, possibly two-thirds, of the capital

## THE BRITISH STAKE IN INDIA

in such fields of investment as banks, insurance, plantations and commerce, is estimated to be British. As for shipping, the share of Indian companies is only 13 per cent. of the coastal traffic and 2 per cent. of the ocean-borne trade of India. Any estimate of the total investments covered by these different items must inevitably lack precision. The following figures, worked out by one of the ablest of the younger economists in India, are the most exact available: [69]

	<i>£ millions</i>
1. Capital of joint-stock companies registered but of India but working in India	160
2. Share in the capital of companies registered in India	42
3. Share of the total capital of banks, insurance companies, etc., doing business mainly elsewhere than in India, which can be properly regarded as employed in India	34
4. Non-residents' share in partnerships, firms, etc., working in India	15
5. Municipal and Port Trust borrowings	13
Total	264

Adding £264 millions to the amount of the sterling debt, we obtain a rough estimate of a little over £600 millions<sup>1</sup> as the total of British investments in India. But this is not complete. As we have said, a part of the rupee debt is also held by Europeans, mainly resident in India. If we suppose—we can only suppose in the absence of official statistics—that this part is equal to a third, we must raise the estimate by £180 millions and fix it in the neighbourhood of £800 millions. However, only £600 millions out of this sum counts as a “foreign liability” in the sense that the interest and profits earned are sent abroad and paid out in England. The interest on the sterling debt is known: about £15 millions. The rate of return on private investments can only be guessed at: it is not unreasonable to place it at 8 per cent.—which makes a total of about £20 millions. Thus, in all, £35 millions a year is the price paid by India for the privilege of entertaining capital owned by persons in England.

It is not the whole story. Every year large sums are disbursed in England by the Government of India, which

do not fall under any of the categories we have mentioned above. They are described in the Indian budget as "Home Charges." In part they include interest payments, but they also include civil and military expenditure under other heads: for salaries and pensions, purchase of stores, etc. The "Home Charges" have steadily increased from an average of about £10 millions in the decade following the Mutiny to an average of about £30 millions in more recent years. About half the sum, roughly, is covered by the debt services, leaving an average annual balance which has risen from about £5 millions in the post-Mutiny period to under £15 millions to-day. This does not actually represent a yield on investments in the ordinary sense, but it might legitimately be treated as such in any attempt to assess the total cash value of the British stake in India. For it is not a fortuitous payment: it has been drawn to England with the utmost regularity for over a hundred years and undoubtedly constitutes one of the advantages accruing to her through her possession of India. The capital value of these annual remittances cannot well be put at a figure less than that of the sterling debt, viz. about £350 millions.

We are now in a position to form a rough estimate of the total value of British vested interests in India. The main items are:

	<i>£ millions</i>
1. Sterling debt . . . . .	350
2. Estimated British share of the rupee debt . . . . .	180
3. Estimated total of private investments . . . . .	260
4. Estimated capital value of that part of the "Home Charges" which is in excess of the interest on the sterling debt . . . . .	350
Total . . . . .	1,140

It will be seen (a) that the Indian Government is directly responsible for the greater part of this amount: and (b) the greater part of the interest and profits—approximately £50 millions out of £55 millions—is drained out of India for the benefit of British investors and others.

Three observations remain to be made: (1) What India

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Worth to Britain cannot be judged on the basis of the figures for any particular year, but must take into account the balance of transactions over a long period. Payments on one pretext or another have been exacted for nearly two centuries. Their total is incalculable. Since 1834 the "Home Charges" alone are estimated to add up to about £1,500 millions. (2) That India's financial obligations to Britain arise out of her having borrowed capital for the development of her resources is but a very small part of the truth. Otherwise, she would not be in her present backward condition. Besides, such capital as has been applied to economic development has been applied so that not only the interest on it but the profits are taken out of the country, leaving India nothing more than the wages, at the rate of a few pennies per head per day, of a couple of million workers in plantations, mines and factories. (3) India's financial obligations to Britain, represented by the public debt and the "Home Charges," arise mainly out of her political servitude. Although there are some "productive assets" to show for them, they have reached their present level only because, over a long course of years, Britain has used her power to impose arbitrary demands on her that she was unable to resist. History has a hundred names for the deed that plain men know as robbery.

The primary function of the Indian revenue system is to find the money to meet these claims.

## CHAPTER VII

### THE REVENUE STRUCTURE

How is the money raised?

The public revenues of India fluctuate between £150 millions and £175 millions per annum. Nearly 90 per cent. of this sum is obtained from the following sources: customs 25 per cent., land-tax 15 per cent., income-tax<sup>76</sup> 8 per cent.; salt, excise and stamp duties 18 per cent.; and income from railways, forests and irrigation 22 per cent.

The only tax that is progressive in its incidence, i.e. graduated according to capacity, is the income-tax. Even in this case the rates do not rise at all steeply, with the result that while the tax presses on the smaller incomes, the larger incomes are "let off too lightly" [70] and fare much better than in other countries. No distinction is made between earned and unearned incomes; there are no death duties, nor any special taxes on windfalls, gifts, etc. What is more, incomes from agriculture are not subject to the tax, and the big landlords who squeeze millions out of the peasantry go scot-free.

Such discrimination between the rich and poor, to the prejudice of the poor, is the predominant characteristic of the tax system. We have already seen how, on the basis of anticipated yield, the land-tax inflicts a uniform burden on the peasants regardless of the actual variation in their income either from year to year or as between their different strata. The indirect taxes are similarly regressive in their incidence. There is evidence that the salt-tax, which provides 4 per cent. of the total revenue, has in fact reduced the consumption of one of the most vital requirements of life. The customs and excise duties, including duties on such articles as kerosene, matches and sugar, again hit the small consumer; while the revenue derived from railways and irrigation comes in the last analysis

from the pockets of cultivators who pay the water-rates—assessed with as little discrimination as the land-tax—and the “third-class passengers” who contribute no small part of the railway receipts. Precise statistics are not available concerning the class incidence of taxation; but even granting that in a poor country the taxes must in the main be paid by poor people, it is obvious that the burden is very unequally distributed. Less than 10 per cent. of the revenue is raised by a graduated direct tax, while the bulk of the indirect taxes and the land-tax bear most heavily on the poorest sections of the population.

Figures showing the incidence of taxation per head are therefore apt to be misleading. The ordinary Indian taxpayer, it is estimated, contributes approximately 9s. to the revenue. This represents about 8 per cent. of the annual *per capita* income, a considerably lower ratio than in England. But it would be wrong to infer that the Indian people are more lightly taxed, because (a) the gulf between the extremes of wealth and poverty being wider in India, the average income is a less reliable index of the economic position of the masses; and (b) the tax system being decidedly more inequitable, the average taxation per head gives a less correct indication of the real burden on the poor. Finally, since the average income in India is in any case so low as to entail starvation, a cut of 8 per cent. is far more oppressive in effect than a 20 per cent. cut, as in England, on an average income of £75. It is not melodramatic exaggeration to say that the revenues of India are wrung out of hungry peasants and workers.

Of the revenues thus raised, about 25 per cent. goes as interest on the public debt, and another 25 per cent. goes on the army. Nearly 40 per cent. of what remains is spent on the machinery of government, the machinery for collecting taxes and keeping order. There are no social services in India, no unemployment or poor relief, no old-age pensions or sickness insurance, and civil administration accounts for the major part of public expenditure.

Civil administration spells bureaucracy. Its outstanding feature in India is that the key services, such as the Civil

Service and the Police Service, have a status independent of ministers and elected councils and are under no compulsion to bow to public opinion whether expressed constitutionally, i.e. through the legislatures, or in any other way. Their salaries, guaranteed by the Constitution, are not subject to popular control, while the protection of their "rights" is a "special responsibility" of the Governors and the Governor-General. With the support of the head of the executive, himself a British official, they can defy the Government of the day and hamper the execution of policies they disapprove. They are, in fact, not public servants but the servants and watchdogs of imperialism.

And imperialism rewards them generously—out of Indian funds. They are the senior officials in an administrative system which, as has often been pointed out, is perhaps the costliest in the world. How costly can be seen from the following table, which gives in column (a) the proportion between the wages of urban unskilled labour and the lowest clerical salary, and in column (b) the proportion between the lowest clerical salary and the highest administrative salary:

	(a)	(b)
U.K. . . .	1 : 30	1 : 32
Canada . . .	1 : 10	1 : 17
U.S.A. . . .	1 : 9	1 : 9
Germany . . .	1 : 13	1 : 13
Japan . . . .	1 : 13	1 : 14
India . . . .	1 : 200	1 : 133

The inordinate expensiveness of the Indian administration becomes even more apparent when we compare some salaries with those paid in England and the United States. The President's salary works out at Rs 17,062 a month: that of the Prime Minister Rs 11,111; the Governor-General of India is paid Rs 21,333. A Cabinet Minister in America receives the equivalent of Rs 3,412 a month; in England, Rs 5,555; their counterpart in India, a member of the Governor-General's Council, is paid Rs 6,667. This disparity is characteristic not only of the highest posts, but of all the upper grades of the services. The salaries

of district officers, for example, generally range between Rs 1,200 and Rs 3,000 a month, and Divisional Commissioners are paid Rs 4,000, while in England only a handful of Permanent Under-Secretaries receive as much as Rs 3,333. There are hundreds of officials in India whose salary exceeds that of the heads of many independent States.

Salaries, however, do not constitute the whole—"nor often even the most important part" [71]—of the total income. There are numerous allowances: overseas allowance and house allowance, headquarters allowance, local allowance, etc., etc. [72] One is reminded of the unabashed pillage of the days of the East India Company. And the provisions for leave and pensions are the most liberal that could be found anywhere. Gazetted public holidays alone number about twenty-five a year, and many departments have long and regular annual vacations, aggregating from three to four months. There are also various kinds of leave: "casual leave," about twenty days in the year, and leave for longer periods, on full pay. It is estimated that officials in the superior branches of the administration need not render more than about twenty-three years of actual service to qualify for their pensions. Which means that for every 100 men required under normal conditions, India has to employ at least 140, whereas countries which have not the good fortune to possess an equally marvellous Civil Service need no more than 10 per cent. above the active strength of the permanent staff.

By offering such lavish terms imperialism has brought into existence, and maintains, a bureaucracy, partly British and partly Indian, with a strong vested interest in British rule. Moreover, the disparity of income, therefore the disparity in standards of living, not only between the higher and lower strata of the Civil Service, but between the higher officials and the average citizen, is so pronounced that a deep gulf yawns between the people and the bureaucracy, whether white or brown, isolating the latter and turning it into a separate caste essentially alien in outlook from the masses of whom it is supposed to be the servant.



Efficiency is often claimed to be the chief merit of the public services in India; in the conditions we have described, it is difficult to understand what the word means. Efficiency, perhaps, in collecting their salaries and straining every one of their numerous and unparalleled privileges.

When the salaries of the public servants, as they are euphemistically called, have been paid, and the pensions and the interest on the sterling debt have been remitted to England, and the army has been satisfied, about 10 per cent. of the revenue is left over. And it must doubtless be accounted for virtue in imperialism that this balance is not diverted, shall we say, to finance the Singapore Base, but is actually used to promote the "moral and material welfare" of the Indian people. Education absorbs about 5 per cent. of the total revenue. Including the sums spent by local bodies, the annual *per capita* expenditure for this purpose is estimated at 9d.; the corresponding figure is £1 7s. for the United Kingdom, 15s. for France and £4 2s. for the U.S.A. Expenditure on the Medical and Public Health Departments amounts to another 2.5 per cent. As for agriculture and industries, it was not until just before the war of 1914-18 that the Government even thought of doing anything about them. There are now Departments of Agriculture and Departments of Industries in the Provinces. They are allotted, between them, less than 2 per cent. of the revenue. It is not surprising that the effect of their much-publicised activities on the economic position of the country is negligible.

Under the constitutional arrangements which obtain in India these essential, constructive services are the special concern of the Provincial Governments. They have been assigned mainly inelastic sources of revenue, such as the land-tax, forests and irrigation, while the Central (Federal) Government, which controls the army and the public debt, has the more promising sources (customs and income-tax) at its disposal.

It is highly improbable that the revenues, whether central or provincial, will expand much farther. Certainly there are not many new sources to be tapped. The Federal

Finance Committee of the Round Table Conference came to the conclusion that "such provincial taxes as appear to be within the sphere of practical politics in the immediate future cannot be relied on to yield any substantial early additions to provincial revenues. . . . In the federal sphere the excise on matches is the only tax which we feel justified in taking into account as an immediate reinforcement of federal revenues." Even the extension of the income-tax and the taxation of agricultural incomes would not add more than £5 or £6 millions to the total public receipts. [73]

The limit of taxation has been very nearly reached. Likewise the principal items of expenditure—on administration, on the army and the public debt—are fixed and safeguarded by imperialism. Within the framework set by it, there can be no substantial increase of expenditure on such vital services as education, public health and economic development.

## CHAPTER VIII

### THE ARMY OF OCCUPATION

If the bureaucracy is a privileged caste, the army is super-privileged. Its extravagance, says a recent writer, "beggars description . . . in one district there was one bed to every ten British soldiers as compared to one bed for every 50,000 of the general population in the hospitals." [74] Military expenditure is the largest single item of expenditure; and in part because the army consumes so much money, the education and health departments are starved. But we must not let the costliness of the army obscure the ends it serves. They are (1) the defence of imperial interests, primarily in the East but elsewhere if need be; and, following from this, (2) the defence of British rule in India against attacks from outside, and (3) the defence of British rule against a popular revolt.

India has for long furnished troops for imperial service whenever British interests were threatened in any part of the East. Between 1838 and 1920 the army was engaged outside India on no less than nineteen occasions. It is, as Sir E. Ellis said in 1905, a main factor in the balance of power in Asia, and not merely a local militia for local defence. Since the war of 1914-18, India, in the words of Lord Curzon, has been "one of the most important units in the scheme of British imperial defence, providing the British Government with a striking force always ready, of admirable efficiency and assured valour." It is to-day organised as the eastern wing of the British Army, with its tasks allotted to it by the Imperial General Staff.

The defence of India itself is envisaged not as an independent problem but only in the wider context of imperial strategy. [75] Although there is no hostility between India and Russia, the long-standing and still undiminished British

hostility to Russia has given Indian army policy a distinctly anti-Russian bias. The expensive military operations on the North-Western Frontier and the constant watch kept on Afghanistan are largely dictated by considerations based on the possibility of an Anglo-Russian war. It has been decided, moreover, on political grounds, to avoid if possible any major military engagement within the boundaries of India. The main line of defence is placed well beyond the present frontiers, and British agents are busy from Baluchistan to Tibet and Central Asia seeking and consolidating zones of military and political influence. The army in India is made strong enough for this essentially offensive strategy.

The third function of the army is often described as the preservation of internal peace. Religious and racial antagonisms, it seems, are so rife that a British force is necessary to maintain order. The weakness of this claim is exposed when we look at the facts.

(1) There has been more than one case of serious rioting that has been suppressed without the aid of troops.

(2) The strength of the internal security troops is about 70,000. It is nearly equal to the strength of the Field Army, the main striking force at the disposal of the Indian Government. There are, besides, other formations specially meant for the maintenance of internal order, such as the Auxiliary Force, the Indian State Troops, the civil police, the ordinary armed police and special armed police corps trained on military lines (the Eastern Frontier Rifles, the Assam Rifles, etc.).

(3) The internal security troops have as a normal part of their equipment arms for which no conceivable internal disturbance can provide an opportunity, including field artillery.

(4) The proportion of British troops is far higher among these troops than in the Field Army. In the latter there are 12 British infantry battalions to 36 Indian, among the internal security troops the proportion is 28 to 27. Two-thirds of the British infantry in India, the most expensive element in the army, is thus detailed for what would seem

to be the minor task of preserving law and order. And yet it is more often than not Indian rather than British troops which are employed for the suppression of communal riots.

When we consider these facts in the light of the military organisation as a whole, and the political system of India, it becomes overwhelmingly plain that the internal security troops are in reality the British garrison in India. The security they guard is the security of British domination.

Imperialism has taken good care that this weapon, the army, directed against the Indian people, does not, as in 1857, turn against itself. Among the defects of the pre-Mutiny army, wrote Sir John Lawrence, "unquestionably the worst, and the one which operated most fatally against us, was the brotherhood or homogeneity of the Bengal Army; and for this purpose the remedy is counterpoise—firstly, the great counterpoise of Europeans and secondly, that of various native races." [76] The remedy has been adopted. The army is to-day so organised as to prevent the growth of solidarity among the Indian troops.

"It is neatly grouped into battalions, companies, squadrons and sometimes even platoons of specified classes (based on tribal, sectarian and caste distinctions) according to a fixed ratio, and no one who does not belong to one of these classes is allowed to enter the army simply because he is individually fit. . . . These groups are so arranged that they retain their tribal or communal loyalties and at the same time balance the characteristics and the influence of one another." [77]

Besides, the Indian troops do not constitute an independent fighting formation. Indians are neither admitted to positions of power and responsibility, nor employed in all branches of the military and air forces. "The rôle of the Indian element may be compared to that of stone chips serving as filling in a reinforced-concrete building, while the steel frame and nets which give the structure its shape and strength correspond to the British element." [78] Without its British officers and the support of British units (tanks, artillery, etc.) the present "Indian Army" would

go to pieces: certainly it cannot fight a war on its own."

So completely is the military organisation of India dominated by concern for the protection of imperial interests that the real needs of Indian defence are ignored. The people are disarmed, and no sort of military or semi-military training is open to them. (The Auxiliary Force includes only the British residents. Its function is mainly to assist the internal security troops, i.e. to reinforce the garrison at need.)

Besides, the army is recruited not from the whole of India, but from certain carefully selected districts, mainly in the Punjab and the Himalayan foot-hills. (This policy is based on the idea that there are some tribes and castes born, as it were, with a Bren gun in their hands or at least a rifle. This fantastic theory of the "martial races" is a post-Mutiny invention; before that date the British had to fight "martial races" in every part of the country, and the composition of their forces, i.e. of the Sepoy Army, was more representative of the Indian people than that of the present army.) These hand-picked troops are, if not prohibited, certainly discouraged from mixing freely with the civil population. They are taught to look upon the latter with scorn, while the masses look upon them as pampered and arrogant toughs.

It is recognised nowadays in every country in the world, whether under conscription or not, that military efficiency demands the closest contact between the army and the general population; and efforts are made to train the available man-power so that the army can be strengthened in the event of war. In India, on the contrary, the prevailing policy is to widen the gulf between the two. The army is therefore far from being the highest expression of the military potentiality of the nation. Its morale is essentially weak. Cut off from the body of the people, devoid of sentiment, patriotic or ideological, it is a professional, not to say mercenary, machine.

To sum up: There is no Indian Army. There is only a detachment of the British Army in India. Some of its units are manned by Indians, as they may be by Australians

or Africans or Irishmen. It is trained and led by British officers, it is equipped by the War Office and its functions are laid down by the Imperial Government. Foremost among those functions is "the suppression of revolutionary movements, both violent and non-violent, organised and designed to upset the established Government." [79] Whatever money is judged by the British authorities to be required for the maintenance of the army has to be forked out by the Indian public—that is all. India paid for the British conquest, India pays for the army of occupation. We cannot perhaps wonder if "lesser breeds without the law" envy the British their genius for this sort of thing.

The defence of India *is* a problem. It calls for practically the same measures as the defence of England or France or China: arming the people and giving them military training. [80] This is possible in England and France and China. It is incompatible with imperialism in India.

## CHAPTER IX

### BRITAIN'S FIFTH COLUMN: THE STATES [81]

THE States are autonomous territories stretching from one end of India to the other. There are nearly 600 of them. Collectively they occupy about a third of the total area and include less than a quarter of the total population of India. Individually, there are great differences between them in size as well as population. Some are no more than a few square miles in extent, others are as large as England or France. The total revenue of the States amounts to approximately £35 millions a year. Of this amount over £33 millions are raised in the more important States, while the 450-odd minor States have between them an income of less than £2 millions.

All the States are ruled by hereditary princes, but not all the princes have the same rank or power. Some (Mysore, Travancore, Kashmir, Baroda, Hyderabad and others) possess almost absolute internal sovereignty, with the power of life and death over their subjects and the right to make their own laws. The rest are divided into numerous categories, according to the degree of sovereignty, they are permitted to enjoy. At the bottom of the scale is a horde of princelings, the proletariat of the princely order, without any political power at all, whose States (estates, rather) are administered by British officials.

Except in a very few cases, these princely families do not date back to an ancient period. Again, except in rare cases, the frontiers of the States do not coincide with any permanent line of demarcation in Indian history. The frontiers have been drawn and the ruling families have been set up mainly by imperialism. Between the inhabitants of the States and those residing outside there is therefore no difference either of race, language or religion,



nor yet in their social and economic institutions. What differentiates them is, first, the barrier created by the British, and secondly, the difference caused by that barrier in the rate of their development during the last half a century.

Every decade since 1870 has witnessed changes in India: they penetrated but slowly into the States. Even the railways and trade did not for a long time communicate their impact to these autonomous territories. Moreover, the assurance of British protection destroyed the rulers' sense of responsibility and rid them of the fear of rebellion; while, likewise, the knowledge that the country had been subjugated by a powerful new force and the people divided and penned up separately in the narrow sheepfolds that were the States killed popular initiative and sapped the vitality of every inherited institution.

Thus economic stagnation and social decay have combined with a personal autocracy freed from all restraints to stamp the States with their characteristic features: unchecked and harefaced exploitation on the part of the rulers, cringing servility and abysmal despair on the part of the ruled, the whole enveloped in a foetid atmosphere of vice and corruption. The States are picturesque—with the picturesqueness of a rotting carcase. Whatever the "real" India may be, they have no more claim to represent it than the provinces. Their evolution, like that of the provinces, has been shaped decisively by the political and economic forces of imperialism.

Some of the larger States are relatively progressive. Travancore and Baroda have a higher percentage of literacy than the provinces. In Mysore large-scale electrical developments have been carried out. Hyderabad has spent considerable sums on irrigation. Textile mills have been started in a number of States. But the States as a whole are more backward than British India, in agriculture as well as in industry, and a great many of them are without roads, hospitals and even elementary public services.

Again, a few of the States have set up a simulacrum of democracy. There are elections and councils; but even

## BRITAIN'S FIFTH COLUMN

in Mysore, one of the most advanced States, these mock assemblies meet seldom and have no more than an advisory function. In the majority of the States the Government is run by means of orders issued from the palace. There is no legislation in the ordinary sense. All power—legislative, executive and judicial—is concentrated in the hands of the Maharajah who, as often as not, is an eccentric if not pathological character. In many cases he is also an absentee taking his extravagant pleasure in the fashionable resorts of Europe and America.

As he is an autocrat, there is no limit to the demands he can make on the resources of his State. The greater part of the revenue collected from an abject peasantry is devoted to the satisfaction of his personal and family needs and the needs of his police and military forces. In Bikanir, for example, 1·5 per cent. of the total revenue is spent on medicine, 1·3 per cent. on education and 32·6 per cent. on palace expenses. And Kashmir spends 19 per cent. of its revenue on the State forces and 16 per cent. on the privy purse, but only 3·5 per cent. on medicine and 0·2 per cent. on agriculture. Even the most "enlightened" rulers appropriate for their private use a share of the revenue that would be considered scandalous in every other country.

Taxation, of course, is the chief source of revenue, and it is collected from the same classes as in the rest of India—peasants, artisans, merchants, labourers and others. In addition to the land-tax and octroi and customs duties, there are numerous impositions—a kind of poll-tax and a tax on cattle and on marriages and funerals—which defy classification because they are entirely arbitrary. Tax farming is still not extinct; and in some States monopolies have also been created: monopolies run for the prince's profit in the manufacture, or at all events the sale, of salt and sugar, tobacco, matches and other essential articles.

There are thousands of slaves, without personal rights of any kind, in the Rajputana States and in the States of western India. They are owned by the rajahs and their nobles. Forced labour exists in nearly all States. Labourers, artisans and peasants may be compelled to

work at any time and for any period at the bidding of the prince or his officials. "Often they are required to go miles from their homes, and forced to follow the hunting parties of the prince or his guests from village to village. . . . One can see these people in the cold, hot or rainy seasons, insufficiently shod and clad, toiling after the pleasure parties of their masters." [82]

Where there is no law but the prince's will, civil liberties cannot be expected to flourish. Public meetings, the issue of books and newspapers and the formation of associations are banned in most States; or, if they are not banned, they must be first sanctioned by the prince. In Hyderabad meetings cannot be held without elaborate negotiations with the police. Even in progressive States like Mysore, Travancore and Baroda there is very little freedom of speech, press and association. Anyone can be thrown in prison for an indefinite period or banished from the State, without being charged or tried. Property can be confiscated with no more than the semblance of a trial. And, of course, there is no appeal against the prince's misdeeds, for he is a sovereign potentate.

Sovereign potentate—but with a difference. There is a British official called the Resident in every major State; and over the smaller States, organised in regional groups known as Agencies (the Deccan States Agency, the Gujerat Agency, etc.), there is another called the Political Agent. These officers, appointed by the Governor-General, are servants of imperialism. Hardly anything can happen without their acquiescence in the States to which they are assigned. And whatever the legal quibbles involved, in case of serious disagreement, the sovereign potentate, descended though he be from the Sun and Moon, must and does give way to these gentlemen who, in all probability, are not descended from a planet at all but from a British bourgeois family.

The subordination of the States to imperialism is evident also in other forms. They are debarred from entering into relations with foreign States. They have with few exceptions been cut off from the sea so that their trade with

countries outside India must pass through British territory. And the military forces they are allowed to maintain are so small—they are in fact too poverty-stricken to afford big armies; the biggest is that of Kashmir, which has 8,600 regular troops—that they cannot hope to defend themselves against aggression without the aid of British troops. They cannot even defend themselves against the anger and hatred that their fantastic misrule has accumulated in the hearts of their subjects. If these matters were settled by a free vote, there is no doubt that the princes would all be swept off their thrones. It is not the loyalty of the people but the iron hand of imperialism that keeps them on what Lord Curzon once described as their “divans of indulgence.”

For imperialism needs them. The States are one of the principal buttresses of its own vast edifice of exploitation. Viewed from a narrowly economic standpoint, they offer no inconsiderable advantages. There is no local capitalism to compete with: the richer and more ambitious members of the local bourgeoisie emigrate to British India, where they have wider scope for their activities; and the placing of orders and contracts, the grant of concessions, etc., lie solely in the discretion of a ruler who is only too anxious to curry favour with representatives of the ruling race. The present regime in the States is thus not unsatisfactory to British commercial and financial interests.

However, the basic function of the States in the imperial system is political and military rather than economic. They have an enormous reserve of man-power; and although this is true of the rest of India as well, the pronounced backwardness of the States, their comparatively low degree of political awakening and the despotism of the princes together create conditions in which recruitment can be carried on with a greater prospect of success than in the provinces where the people are fully aroused. The loyalty of the princes means, in effect, their readiness to raise levies in the event of war. And not alone in the event of war. They proved their utility to the empire in 1857 when some of them actively assisted in crushing the mass

rebellion against British rule. It was indeed their services on that occasion which finally decided imperialism to "emancipate" what *The Times* of an earlier day called "these pale and ineffectual pageants of royalty" and confirm them in their possessions. They constitute Britain's permanent Fifth Column in India.

Recent developments have brought into relief the essential unity of interest between imperialism and the princes. The growth of the national liberation movement as well as the increasing danger of war have emphasised the political and military importance of the princes. The people in the States—who have long been left out of account in imperialist calculations—have shaken off their subservience: they are no longer passive. A movement of revolt is gaining headway, the object of which is to secure civil liberties and constitutional reform in the States. Just when the value of the princes to imperialism has become greater than ever, the ability of the princes to maintain themselves without imperialist aid has practically vanished.

In these circumstances the policy of the Paramount Power—which is the juridical expression for imperialism in its dealings with the States—has acquired a new twist. Formerly it was wont to take a severe line with the princes: on more than one occasion sovereign potentates were sacked for bad character or incompetence or misgovernment. Of late, the tendency rather is to stress their "independence" and the determination of imperialism "to maintain unimpaired their privileges, rights and dignities." The Press Act has been amended, and a Princes Protection Act has been passed: these measures make it a crime to denounce princely tyranny—"to bring into hatred or contempt or to excite disaffection towards the Administration in any State in India"—or to endeavour to unify the popular forces working within the States and without.

Even when the prince is so disposed, imperialist pressure has been exercised to dissuade him from introducing democratic reforms. It was reported in the Indian Press early in 1939 that the Maharajah of Indore had left his State because "he does not have a free hand to carry out the

constitutional reforms that he wants to confer on his subjects as the opposition of the Paramount Power is irresistibly strong." Such instances are rare enough; there is no evidence that the princes as a whole are ready to abdicate and renounce their rights; but in any case the decision rests not with them, but with the Residents and the Political Agents. Their policy, the policy of imperialism, can be read plainly in the events that are taking place to-day. More and more frequently British troops are being despatched to the States to crush the people's resistance; fierce repression is in progress in many of them; and from some a flood of battered and destitute refugees is pouring into British India.

The constitutional expression of this policy—aimed at stemming the tide of democracy and forging a firmer and closer alliance between imperialism and the princes—is the proposed federal system.

PART III

ANALYTICAL AND CONSTRUCTIVE

CHAPTER X

POVERTY AND THE ECONOMIC  
STRUCTURE OF INDIA

POVERTY is an ambiguous word: it has meaning only in relation to some imagined conception of well-being. But the poverty of India is not relative. It is not, as in England or America, the failure to come up to a desired standard of living. It is an extremity of destitution that keeps the vast majority of the people below the level of subsistence. Famine is not merely an occasional or local calamity. It is the normal experience of countless millions who subsist on one inadequate meal a day.

We are justified in holding that such poverty must be of recent origin. Imagination and common sense alike recoil from the suggestion—which is, indeed, at variance with known facts—that it has existed throughout the history of India. No people could have survived through so many centuries and maintained a stable civilisation with not inconsiderable achievements in art and philosophy if their vitals had been gnawed ceaselessly by hunger. They would have changed their habits or moved to more fertile lands.

Poverty, moreover, is inseparable from ill health and illiteracy. Ill health makes for poverty in the sense that it lowers the efficiency of the peasants and workers; on the other hand, poverty makes for ill health by depriving the people of adequate nourishment. Similarly, illiteracy is both the cause and effect of poverty. We cannot isolate any of these three aspects of what is essentially a single fact. We should only be arguing in a circle if we main-

tained that improvement along any one of these lines is necessary as a condition of improvement along the others.

There is a school of thought which holds that "factors inherent in the social structure of India, and in Hindu belief [which] explain her poverty and militate against economic progress." [83] The caste system prevents the mobility of labour; child marriages (it is estimated that 43 per cent. is the proportion of girls married below the age of fifteen) tends to reduce the vitality of the offspring; and religious beliefs and prejudices often stand in the way of improved agricultural practices. All this is true. But it does not "explain" India's poverty: it only points to an incompatibility, a contradiction between the beliefs and institutions handed down from the past and the existing economic structure. It says nothing about the character of that economic structure.

Let us take what is perhaps the stock example of how a factor inherent in Hindu belief causes poverty: "The sanctity of the cow forbids any rational management of the herds." [84] Hindu cultivators will not send superfluous cattle to the slaughterhouse. There are said to be 125 millions of them, involving an annual waste of over £100 millions.

When we ask how such superfluity arises, we find that "there is a close inter-relation between the size of a holding, the class of crops grown and the number and quality of the cattle employed." [85] The peasant must get a living out of his tiny holding. So he raises food crops rather than fodder crops. Of the total net cultivated area of 295 million acres, only 10 million acres represent special fodder crops. The majority of the cattle have to obtain their nourishment from casual grazing, from straw and stalk, and are starved seasonally in the dry months when grasses wither. They are therefore inefficient: and to counteract their inefficiency, their numbers are multiplied. According to the Royal Commission on Agriculture, "the conditions for rearing efficient cattle are, the numbers kept tend to be. Cows become less fertile and their calves become undersized and do not satisfy the



cultivators who, in the attempt to secure useful bullocks, breed more and more cattle." Strange as it may seem, the provinces which have the smallest crop area per person maintain the largest number of cattle.

This example clearly shows that in a discussion of the causes of poverty, the "Hindu heritage of obsolete thinking" must not be divorced from the prevailing economic conditions. Similarly with the question of over-population. To say that poverty is due to over-population is to say very little, for over-population implies after all that there is a shortage of food, and in India poverty means the same thing. In absolute figures India has, of course, a large population, which increased by nearly 34 millions between 1921 and 1931. Dividing the total yield of the food crops in British India by the total population we get the average of less than 1 lb. per head per day, after allowing for exports, wastage, etc., but without allowing for inequalities in distribution. The difference, moreover, "between the indices for population and food supply is gradually becoming narrower, and this indicates a deterioration of the food position." [86]

Yet there is nothing unprecedented about the increase in the Indian population. It is actually smaller proportionally than that in England during the nineteenth century; the population of England increased by 54 per cent. in the last fifty years and the population of India by only 39 per cent. The economic potentialities of India, too, are by no means exhausted. Both agriculture and industry are at a low stage of development, and given the requisite policies they are capable of enormous expansion. There is also evidence that in India, as in Europe, an increased food supply and a higher standard of living would actually lower the birth-rate.

The real cause of India's poverty must therefore be sought not in disease or illiteracy, which are but the symptoms, nor yet Indian customs and beliefs, nor again in the population figures, but in the economic organisation on which the whole life of the country is based. The outstanding feature of this organisation is easily defined: it

is the excessive disproportion between agriculture and industry. Roughly speaking, 74 per cent. of the people of India get their livelihood from agriculture as against 11·6 per cent. in England, 26·3 per cent. in the U.S.A., 28·6 per cent. in Germany and 40·7 per cent. in France. Indian industries are under-developed.

This fact, which overshadows the economic situation, cannot be separated from the other cardinal fact concerning modern India, viz. its subjection to a foreign power. From decade to decade, since imperialism swept India into its orbit, we can trace the progress of the ruralisation or de-industrialisation of the country. In the middle of the last century the proportion of the population dependent on agriculture was about 55; to-day it is nearly 75.

Obviously there is a connection between the British conquest and the poverty of India. But this connection is often misunderstood. It tempts imperialists and nationalists to take a narrowly one-sided view. Poverty is ascribed either to the evils of foreign rule—in the sense of crushing taxation, for example—or evils inherent in Indian religions and customs. Neither of these factors by itself gives us a sufficient explanation; nor indeed do they explain poverty if we take them together, unless we connect them, as they are connected, with the crumbling of the substructure of Indian society. Imperialism was the strongest single force applied to effect this ruin. Imperialism is the strongest single force preventing reconstruction.

Imperialism does not merely appropriate a large share of what is produced by Indian peasants and workers. Imperialism has undermined the pre-existing economic system, altered the balance of social and class forces, and hastened the decay of indigenous institutions. All this it achieved for the purposes of exploitation and as a consequence of exploitation. It is idle to speculate what the condition of India would be if the history of the last hundred and fifty years were different. It is enough to know that the events of this period transformed permanently and radically, every aspect of Indian life, not least its foundations. The nineteenth century

marks an unbridgeable gulf between India's past and present. Britain destroyed her pre-capitalist culture and set her feet in a new direction. Her poverty is bound up with this tremendous change—economic, social and political. It will not be overcome till a change of equal magnitude takes place.

## A. The Organisation of the Land

### CHAPTER XI

#### LAND RELATIONS IN PRE-BRITISH INDIA

##### 1. *The Land System*

THERE are no farms in India in the sense of stable and compact agricultural properties. There are only fragments of land, and each farmer cultivates as his "holding" a number of these fragments which lie scattered in the fields surrounding the village, intermixed with strips cultivated by other farmers.

There is, however, nothing characteristically Indian in this arrangement which a sixteenth-century English writer described as "mingle-mangle." Historians are agreed that it was to be found in nearly every country, from Fiji to Ireland, and has been abandoned, where abandoned, only in recent centuries.

It is known as the open-field system and involves various defects which impose an effective barrier against agricultural improvement. There are no farm houses or farm buildings, the peasants living together in the villages; there is no fencing or drainage, and in general there are no permanent improvements of any kind on the land. Besides, the smallness of the fragments militates against productive efficiency. It has been calculated in Japan, where the system is not yet obsolete, that readjustments of scattered fields will increase the yield by 15 per cent., while the unproductive areas (ridges, paths) which would thus be brought under cultivation are expected to amount to 3 per cent. of the area adjusted.

But the disposition of the land, whether in scattered and intermixed plots or compact farms, is not a purely technical matter. Land is the centre of a network of legal relations.

While a new scheme of ownership can be imposed on the open-field system without changing its economic character, the field distribution itself cannot be changed without effecting changes in ownership. Thus, when the feudal system of ownership was established on the earlier agrarian economy the method of allocating land in strips was not altered, whereas when the strip system of cultivation gave way to consolidated farms a change amounting to a revolution was effected in the property structure.

## *2. The Ruler and the Intermediaries*

The tribal estate-kingdom of the earliest period of Indian history—a group of villages with a rajah or chief at its head—has set the pattern of India's agrarian system.

The causes of the chief's pre-eminence must have been various: seniority in the tribe or military prowess, or the free choice of the clans: these and other elements played their part. Whatever the basis of his ascendancy, he exercised over the territory occupied by his villages a general power of command and requisition. The prerogatives attached to his person and office were, again, various, but foremost among them was the right to levy a contribution from the villages of the chief form of wealth they produced—grain.

Such payment was an acknowledged obligation of the peasantry, and the semi-religious law codes consecrate it with their sanction. Was the payment rent? Was it tax or tribute, bribe or blackmail? Was the peasant a tax-payer, a tenant, or simply a victim of violence? These questions cannot be answered with any certainty. The indubitable thing is that the rajah exacted a material contribution from the village which was used by him for public as well as private purposes.

The next step in the development of this power, the power of deriving revenue or rent from peasant labour, is brought about by two concurrent circumstances: the extension, mainly by conquest, of the rajah's territory, and a consequent incapacity on his part to maintain direct relations with the village. He is therefore compelled to adopt

the expedient of distributing and delegating his power.

On the side of collection, he must delegate the power to tax collectors and/or farm out the revenue to contractors. And on the side of expenditure, instead of directly paying his officials, rewarding his friends and favourites, endowing charitable and religious or educational institutions, instead of distributing the revenue for these purposes after it has been collected (which would be impossible in the absence of a developed monetary system), he adopts the simpler method of distributing the authority to collect and retain the revenue over specified villages or tracts of land.

There is an additional element in the situation: the extension of his kingdom probably involved the subjugation of one or more rajahs. In this case the vanquished rajah, if allowed to retain his position, would be required to acknowledge his reduced status by the payment of a tribute, i.e. of a percentage of the revenue collected by him from the villages within his territory, thus becoming, from the fiscal or proprietary point of view, an intermediate holder analogous to the others we have mentioned.

The result of the whole process is that intermediaries come into being between the village and its ruler. Their authority is derivative. It is dependent on the fulfilment of prescribed conditions. They can collect the revenue rent from the villages allotted to them so long as they conform to the terms of their commission: so long as they remain loyal, so long as they transmit to their overlord the stipulated portion of the proceeds, so long as they render the services expected of them. But if these conditions become irksome, if the emperor's control relaxes, if the intermediary feels equal to the adventure, he may attempt to shake off the conditions on which his office or position was conferred upon him and become an independent ruler himself. A full cycle is thus traced: war, the acquisition of political power, the delegation and distribution of that power, rebellion.

If we imagine this process working itself out sometimes on a large and sometimes on a small scale, over a group of villages or over half a continent; if we imagine

repeated in connection with an intermediary of each kind, and proceeding now with slow, now with quick tempo, over a period of two thousand years and more, we shall have a fairly accurate idea of what took place.

The cycle was not completed in every case: it was not every intermediary who had the desire or the power to secure freedom from the control of his superior. The cycle did not begin simultaneously in the different parts of India, nor was it repeated as often or as regularly in one province as in another. But erratic, anomalous, fluctuating as its course was, its character was everywhere and in every case the same: a delegation of political power, the power to claim revenue from a single village or a group of villages, and the effort, once that power had been won or its delegation obtained, to free it from attendant restrictions. The upshot of the whole process was a great fragmentation and dispersal, among innumerable persons, of the right to collect rent or revenue.

### 3. *The Village*

At the same time a much slower process was taking place in the village of a differentiation of claims based on occupancy, custom, usage and tradition.

The bulk of the village population consisted, of course, of peasants working on the lands surrounding the village. Cultivation itself does not appear to have been, in the historical period at all events, carried on by the collective labour of the peasantry. The fields were broken up into holdings, each ploughed and sown and reaped by one of the families resident in the village, with the labour of the members of the family and the implements and cattle belonging to them. And over these lands each family had a hereditary claim, and these separate family claims or holdings were unequal in area.

Two variations of this basic type of village must be noticed: (1) a village where the holdings are from time to time thrown together and redistributed afresh on some principle of need or capacity among the resident peasants, and (2) the village where such redistribution has either not

been in vogue from the time of its foundation, owing to the character of the relations between the founding members, or has since been given up. In every case, however, the families had a claim on the land distinct from that of the village as a whole.

A further modification of the inner structure of the village is brought about by the intrusion of strangers—of peasants who have drifted in singly, or in small groups, after the village has been in existence for a considerable period. For one reason or other the older occupants of the village may find their numbers reduced and hence unable to supply from their own ranks the labour necessary to cultivate the village land. They cease to occupy their former position, while the land they used to till is now tilled and occupied by newcomers. Thus the basis for a differential claim is established among the cultivators, the older ones asserting indefinite rights of superiority and the newer ones contesting such claims.

Whether the peasants' land was held under a redistributive or non-redistributive system, whether they had equally ancient claims or not, the holdings were held by each family separately. They were subject to various collective restrictions and entitled to various collectively managed services. The "municipal" services, watch and ward, etc.; the enjoyment of rights in common grazing grounds and woodlands; the necessary co-operation for purposes of arranging irrigation and water supply, etc.; the organisation of defence against marauders as well as to protect the land and crops from wild animals, pests and stray cattle—all these urgent and necessary conditions of village life imposed on the peasantry a regime of co-operation that was a bar to the growth of sharply antagonistic or irreconcilable private claims. Above all, there was the ever-present necessity of meeting, collectively as a rule, the revenue-rent demands of the overlord of the village, whether he was a ruler in his own right or only an intermediary.



## CHAPTER XII

### WHY THEY REMAINED STABLE

#### 1. *The Triple Conflict over Land*

WHAT Indian agrarian development created was thus a multiplicity of simultaneous and co-ordinate claims on the land. They were broadly of three kinds: the customary claims of the peasants in the village; the delegated or derivative claims of the intermediary; and the superior claims of the sovereign. Private property in land, as ordinarily understood, can only arise when this triple claim has been systematised and unified in some form or other. It involves a clarification of the position (a) as between the overlord and the intermediaries as a body; (b) as between the intermediaries and the village; and (c) among the peasants themselves.

In western Europe, too, the elements of agrarian history are the same as in India: the villages, more or less collectivist in character, with a real or putative basis in tribal kinship; on top of them a tribal chief whose power, through conquest and other means, is extended over a larger territory and greater numbers; and the development, based on technical deficiencies and military necessities, of a class of fief-holders, intermediaries, between overlord and village. But owing to the difference in the relations between these constituents of the agrarian scheme, their development led in one case to a definite system of private property, while in the other it did not.

A glance at the history of England will make the point clear. Here, too, after the Norman Conquest, the subject had no enforceable right either to lands or liberties as long as the monarch could exercise the power to withdraw them or change their terms at will. They were promises, not rights of property. In each descending level of the feudal hierarchy no distinction was made between ownership and

government. The king was both landlord and sovereign. So were the barons and sub-barons. Each was both landlord and a combined legislative executive and judicial authority of his baronial estate. Taxes and rent therefore remained undifferentiated. [87]

Gradually, however, between the thirteenth and seventeenth centuries, the position was altered. "The collective bargaining over rents, between the baronage and the king, beginning with Magna Charta in 1215 and ending in 1660, transferred dominium from the will of the sovereign to the will of the tenant by the simple device of making fixed and certain, in terms of money, instead of arbitrary, in terms of commodities and services, the rents owed by the tenant to the monarch. Private property emerged from the rent bargain carried on collectively in terms of money between the supreme landlord, the king, and his tenants. . . . As long as the king could arbitrarily fix rents, whether in services or money, he was truly owner as well as sovereign. When the rents were fixed collectively in cash, he became only the sovereign and his tenants became the owners. . . . The nominal owner was still the king, but the real owners were the tenants, because the rent charges are definite taxes in terms of money, while the indefinite residuum which marks the real ownership, for it marks the orbit where the will is free, is transferred to the nominal tenants." [88]

While the relations between political power and landed property were settled and organised on this basis, there was a parallel process by which the multiple rights which were fused in the organisation of the manor were dissociated and eventually distributed among a number of distinct and separate individual owners. For the manor was an organisation which summed up in itself the rights of the village as a collectivity, the rights of the separate peasant holders and the rights of the lord. The fields were intermingled, and the peasant who was bound to the lord through obligations of personal service was also bound to the village through the necessities of co-operation under the open-field system, with its rights of commonage, etc.

The lord was intimately associated with the manor; he had a direct interest in the agricultural processes of the village; and his own lands, the demesne, could at first only be cultivated with the forced labour of the peasantry. From the time of the Norman Conquest, there was a long struggle between the lord and the villagers, the one to get the full toll of labour due theoretically and to interpret relations established by custom and tradition as one of ownership of human beings, and the peasants to give no more effective service than prudence compelled. Owing mainly to the growth of money economy and the shortage of labour caused by the Black Death, the obligations of personal service were commuted into money rents and the serf became tenant.

The other main force which transformed medieval agriculture was the enclosure movement, which removed the collective checks on agricultural processes and concentrated responsibility on a single proprietor. The process of consolidating parcels of land and creating larger and larger farms (thus breaking up commonage and the collective control of agriculture) was accelerated by the growth of commerce: the high price of corn which prevailed in the sixteenth and eighteenth centuries and the greater remunerativeness of sheep-farming—forces of which full advantage was taken by the lords and the richer tenants, so that by the middle of the nineteenth century the open-field system was completely superseded and the modern rural hierarchy of landowner, tenant and agricultural labourer was firmly established.

## 2. *Indian Feudalism: Its Characteristics*

There were in the main three reasons why agrarian development in India proceeded on different lines.

(1) On the plane of theory, the difference is rooted in different conceptions of monarchical power. The king under European feudalism combined in himself authority over all persons and things in his kingdom. When the king's dominium was delegated under vows of allegiance to a number of barons and fief-holders of different degrees,

As a hierarchy of authority was created, the power and the rights that were passed on from superior to inferior were power and rights over things (i.e. over the land of a given area) as well as over the persons connected with it. In India there was nothing analogous to the Roman conception of dominium, and the sovereign's power was not, until a late period, regarded as absolute and unlimited over the agricultural land of the kingdom. The king did not, in theory, create subordinate owners of land because he himself was not in theory the supreme owner of the land. What he delegated to the intermediaries was not even his sovereignty understood in this restricted sense, but only the specific and individual rights of *zamin*, the revenue-collecting power.

Hence there did not occur, as in England, a conflict between the king and his baronage, with the baronage endeavouring to delimit and circumscribe the claims which the king could make upon them in virtue of his exercise of the supreme dominium. The king was not *primus inter pares*; and the baronage were not co-sharers with him of sovereignty. From the beginning they held no more than a fairly well-defined title to the collection of taxes, or rents, and they could escape this condition not by fighting with the king for the clarification and settlement of their mutual relationship—which was precise enough—but by taking up arms against him and, if they were powerful enough, by themselves assuming the insignia of royalty. The conflict between the king and his feudatories did not therefore lead to political and constitutional developments within the framework of the State, but merely to the creation of a new State in no way dissimilar to that from which its ruler had torn himself apart.

(2) In order to resist, when necessary, the overlord's terms or conditions made even on the narrow ground of the *zamin* power, a principle of cohesion was necessary, and that was lacking among the intermediate baronage. They were intermediaries of different grades, different powers, different environments and languages, whose allegiance was never centralised and focused on a single person.

or institution, and who were, moreover, scattered widely over an immense territory. They could never, as an organised and coherent body, resist a common overlord and impose checks on him, partly because there was no common overlord to whom all of them had sworn allegiance, and partly because they themselves were rent asunder, were scattered and had each a different historical antecedent.

(3) Save in some exceptional cases the intermediary in his relations with the peasantry and the village had no occasion to convert his *zamin* rights into one of *de facto* dominium in the European sense by any attempt directly to influence the course of rural operations. Indian feudalism remained fiscal and military in character, it was not manorial. There was in general none of the intermingling of peasant land with demesne land in a common village, nor interdependence for labour services such as marked the manorial system. The peasant was not the lord's serf, nor was the lord directly interested in cultivation. There was therefore nothing similar to the direct conflict between the manorial lord and the peasantry over the disposal and cultivation of the land and of labour services which agitated Europe from the twelfth to the eighteenth centuries.

When there was a conflict, it was over the share of the agricultural produce to be retained by the peasant or surrendered to the lord. The foundations of agriculture themselves were not affected. Nor was there any such widespread and general rise in prices or the temptation of greater income by turning arable into pasture, to lead the baronage to assert their power in a manner capable of introducing fundamental changes in the rural economy. Even as late as the eighteenth century there was an abundance of land, and the hard-pressed peasant could always abscond on the open plains of the Ganges. The lord therefore was in general satisfied to exact his utmost from the peasant in the shape of produce, without concerning himself with economic and technical questions of increasing production.

### 3. *Force and Custom*

At the basis of the Indian agrarian system, as at the basis of all ancient agrarian systems, there was the more or less collective or co-operative village, in which individual family claims and obligations are determined on customary lines. On top of this grows up, with monarchy and feudalism, a system variously and unevenly hierarchical of rights belonging to individuals who are themselves not cultivators, but who, by the direct or indirect exercise of force, establish the practice of receiving a more or less big fraction of the final produce of the soil. In broad outline, this superimposition of a military hierarchy over groups of cultivators organised in villages is characteristic of Indian and European feudalism in general.

Owing to the special features of Indian feudalism, which we have pointed out, this agrarian system did not develop any farther. The two sets of conflicts: (a) between the baronage and the king, and (b) between the baronage and the peasantry, which were so settled that proprietary rights over independent and separate tracts of lands, farms, came to be lodged in separate and independent individuals, the conflicts which shattered the pre-capitalist agrarian systems of the West, never took place in India. The rights based on custom and the rights based on political and military power continued to run side by side, without leading by their interaction, as in England, to any important changes in rural organisation.

There was no security or safeguard for a right against the State, as critics sometimes observe, for the simple reason that the right was in fact and manifestly a concession of the State, a delegation of its political revenue-collecting power. But this applies only to the non-cultivating classes. As for the village and the peasantry, they had strictly neither rights nor safeguards—except such as were grounded in custom. They tilled the land not because it was a right or a duty, but because it was the *métier* of their fathers. And no one was foolish enough to try to evict them, because there was plenty of other land to which

they could go. What their masters wanted was not the peasant's land, but his surplus value.

None of the major conflicts in Indian history had for its object the exercise of rights within the village, but the exercise of rights over the village. They were conflicts between overlords of various grades for the right or power to get a payment from the peasant, not to seize his land. European history, on the contrary, reveals a conflict between the peasantry and the manorial lords because the latter not only demanded a share of the produce, but desired to retain a particular method of cultivation—by forced labour—or to introduce new methods of cultivation (enclosures, large-scale farming). The Indian conflict was one between lords who were concerned not at all with methods of cultivation, but only to draw an income from the peasantry. If all ownership of land rests ultimately either on the claim of the sword or the claim of the plough, the issue in India was never fought out between the claimants of the plough and the claimants of the sword.<sup>1</sup> The issue was always between different claimants of the sword, the village and the peasantry remaining throughout the passive subject of conflict, the booty over which the rival powers fought each other.

## CHAPTER XIII

### HOW CAPITALISM CAME TO THE VILLAGE

#### 1. *Private Property in Land*

THE East India Company acquired political power in the first instance as an intruder in the feudal organisation we have described. The *diwani* which they obtained in 1776 from the nawab of Bengal was in form such a warrant to collect the revenues over a specified territory as scores of others had received from the reigning monarch. The revenue-collecting power was subsequently expanded into full sovereignty. This, too, was not a rare occurrence in Indian history. And as in the case of former kingdoms and empires, it is impossible to determine whether the revenue collected by the East India Company and later the Crown in India is properly to be looked upon as rent or tax, hence also whether the land is "owned" by the State or not. In this respect the advent of the British did not break the continuity of Indian history.

It is the use made of the power thus acquired in the traditional manner, and the commercial forces accompanying it, that had a shattering effect on the agrarian system.

For the ultimate customary rights over the land possessed by the village community, the new revenue system substituted the absolute ownership of intermediaries in some provinces and the individual peasant in others.

There were exceptional cases in pre-British times when the Government dealt in some districts with each peasant separately, but the general rule was to assess the village as a whole, either directly, by negotiation with its representatives, or the village was "farmed." In either case the village remained the unit of assessment and the owner of the land. Under the British system, however, what was exceptional formerly, i.e. individual assessment, became



the general rule, and the general rule, collective assessment, became exceptional.

Assessment for revenue purposes carried with it the attribution of ownership. Thus in some provinces where there were intermediaries and the village had no direct relations with the Government, the British, who had themselves entered the political arena as tax-farmers, confirmed the functions of these middlemen, treating them, however, not as officials but as proprietors of the land, for the revenue from which they were made responsible.

The reasons for this are various. In the first place, being only familiar with the English land system, the East India Company completely misconceived the rôle of the village community. Secondly, it was simpler from the administrative point of view to collect large amounts from a few thousand tax-farmers than to institute a system of individual assessment and collection. Besides, there was serious need of Indian support for the infant *raj*. Expediency required that influential families should be detached from their allegiance to the Mogul emperor and their interests bound more closely to those of the new rulers by the offer to them of fixity of tenure and permanence of possession.

On such considerations, the intermediaries of old, revenue farmers and others, who had administrative and fiscal duties but no rights in the land, were converted into landed proprietors after the English model, lords of villages and receivers of rent. This process of creating ownership over large territories was also promoted either by converting the tributes paid by local chiefs into revenue or by granting fiefs for military and other services. Like the members of the *ancien régime*, these territorial nobles lost their political privileges but were confirmed in their rights over the peasantry. The *zamindar* was thus begotten by ignorance out of guile, or, more politely, out of statecraft.

That this policy was contrary to the institutions of the country was soon realised, and when the assessment of the southern provinces was undertaken, Sir Thomas Munro, anxious to avoid Cornwallis's blunder, wrote of the neces-

sity "to let the distribution of property remain as we find it, and not attempt to force it into larger masses." Nevertheless, an error of the opposite kind, though equally serious in its consequences, was committed. The individual peasant, who had only customary rights and whose land was liable to periodical redistribution, was invested with full ownership of his holding. As the sign of the *zamindar's* proprietorship was his right to receive rent, the sign of the petty cultivator's ownership became the right to sell, mortgage and otherwise alienate his land.

## 2. *The Break-up of the Village*

At the same time the collective character of the village was broken up in other ways too. All those concerns, agricultural and administrative, which had formerly brought the peasantry together and imposed on them a measure of co-operation, keeping vivid before them, by its numerous and daily manifestations, the reality of their collective interest, were withdrawn from their jurisdiction and entrusted to a centralised political organisation. Not only were their purely municipal functions such as police and sanitation taken over by a bureaucracy, but those vital elements in the economic organisation of an open-field village, common pasture, waste, woodlands, etc., were appropriated by the State, leaving the peasant merely his patches of earth and depriving him of those auxiliaries which are essential to his method of cultivation and which served as an ever-present proof and mark of the interdependence of his interest with those of the entire village.

The development of trade and the insistence on tax payments in cash instead of in kind, as had been the case formerly, further disintegrated an agrarian system which the new regime thus forcibly set on an individualist basis. The land became a marketable commodity. What had once been held rigid by custom was dissolved by money; what had once been unwritten and traditional relationships were set down in precise legal terminology. Leasing, sale and mortgage of land—transactions which had previously been checked, supervised and controlled by the collective

judgment of a small and self-sufficient community—could now be entered upon and concluded by the peasants individually under the auspices of the new law courts and the advice of mercenary lawyers. Over the face of the agrarian world took place a change such as England had witnessed in the sixteenth century: the disruption of the mediæval framework, the influx of foreign agents and of pecuniary considerations and of contractual relations, and the substitution of individual responsibility, "enterprise," and freedom for co-ordinated effort along paths prescribed by custom.

### 3. *The Agricultural Revolution*

In their comparative abruptness and political origin, and above all in ushering in the era of capitalism in agriculture, these consequences of the British conquest are comparable to the changes for which the French Revolution gave the main impulse in Europe. The emancipation of the serfs not only terminated the disabilities attaching to the peasantry as a separate estate in the realm, but by extending to them the privileges of personal freedom and unrestricted disposal of their property, it altered the whole basis of agriculture. Individualist farming came into its own. The communal methods enforced by the older system now lapsed and collective restraints on agriculture were dissolved.

But the agricultural revolution in Europe did not only destroy a network of multiple and inter-related interests in the land and create in its stead an exclusive relationship between the individual and his property; to fit in with this system the land itself was rearranged so as to form separate units, distinct from each other and relieving the cultivator of the necessity to conform in any way to the needs and methods of other cultivators in the vicinity. The farms thus brought into existence might be large or small—ranging from large estates, cultivated by hired labour or broken up into tenant holdings of considerable size, to small farms just sufficient to keep the peasant owner or tenant occupied; but whatever their size, ownership became

a well-defined right lodged in the individual, while the land owned was no longer intermixed with that of other cultivators. It was extricated from the "mingle-mangle" and shaped into compact farms.

In India, too, a capitalist regime in agriculture was introduced by the creation of individual ownership—peasant ownership over approximately half the country and large-scale ownership elsewhere. But the physical object of ownership, the land and its fragmentation, remained unaltered; the open-field system remained unchanged, or to be accurate, it was changed for the worse, since waste and woodlands were appropriated by the State.

## CHAPTER XIV

### HOW IT WORKS

#### 1. *Fragmentation and Subdivision of Land*

By breaking up the village, by giving the land to individual peasants and *zamindars*, and by taking away forests and common rights, the British conquest introduced capitalist relations into Indian agriculture. At the same time it not only failed to reorganise the land but destroyed the balance between different elements in the rural scheme on which the old methods of cultivation were based. The agrarian history of India, since these changes were effected, is a record of continuous and increasing disorganisation.

The partition of the village fields into intermixed holdings was not flagrantly inconsistent with productive efficiency so long, at least, as the holdings remained joint family holdings and the village had some say as regards alienation, lease, etc. But when the joint family as an institution began to break up, ancestral holdings were dismembered into as many holdings as there were individual claimants. And in place of village control the free disposal of land became a common and well-established practice.

The owner or tenant could rent and sub-rent his holding in still smaller tenancies and sub-tenancies, and in some districts this is actually more profitable than direct cultivation, since land-hunger is acute and acute also is the need among large sections of the peasantry to buy or, more often, hire a piece of land at any cost. (There are cases recorded of tenants who pay an annual rental of only 10s. but are able to make £8 and more by dividing their holding among a number of under-tenants.)

But the chief force which made for increasing fragmentation and subdivision of land was extraneous to agriculture. The commercial policy of the British Government had the effect of driving more and more people from their

industrial occupations on to the land for subsistence. As the Census Report of 1911 put it: "The profits of various artisan classes have been diminished owing to the growing competition of machine-made goods . . . with the result that these classes show a growing tendency to abandon their traditional occupations in favour of agriculture." India's artisans were torn from their trades and sent into the fields to raise the products required by the machines and the machine-tending population of Great Britain.

This de-industrialisation is not merely a nineteenth-century phenomenon: it is still going on. The following table shows the decrease since 1911 in the number of workers employed in some of the principal industries.

	1911	1931
Textiles . . . . .	4,449,449	4,102,136
Dress and Toilet . . . . .	3,747,755	3,380,824
Wood . . . . .	1,730,920	1,631,723
Food industries . . . . .	2,134,045	1,476,995
Ceramics . . . . .	1,159,335	1,024,830

Since 1911 the number of persons employed in industries has fallen by nearly 13 per cent., the percentage of workers in industry to the working population as a whole by 9 per cent., and the percentage of industrial workers to the total population by more than 20 per cent.

India's industrial backwardness, by pressing on the land, is having a disastrous effect on agriculture. The size of the holdings has contracted so much that "even the plough may not be used on many small farms. . . . As with greater fractionalisation of holdings, the supply of agricultural labour increases, the use of the spade and hoe becomes more common." [89]

## 2. Absentee Ownership

Apart from political motives, the *zamindars* as a class were incorporated into the agrarian system and given "title deeds of perpetual ownership" in the hope that they would develop into country gentlemen and farmers, taking a personal interest in agriculture and introducing improve-

ments as Bakewell and Townshend and the rest had done in England.

But farming of any sort, let alone large-scale and capitalist farming, is entirely alien to the spirit and traditions of this class. Absentee landlords they have been throughout their history, and absences they are to-day; and their estates, like those of the French nobility in the eighteenth century, are not compact stretches of territory but numerous scattered holdings, cultivated inefficiently and suffering from all the drawbacks of peasant agriculture.

Nor does the new type of owner who has emerged in recent years show any tendency to participate in agricultural production. He is urban in outlook and by avocation. His wealth is made in the professions, or as a merchant or money-lender. Agriculture itself, the raising of crops by efficient scientific methods, has little appeal for him. He has some money to invest, and in a country where openings for investment are few he turns naturally to the land. He buys a holding here and there, leases it out, or lends money to the peasant on the security of his fields. So long as the present legal structure of the country remains intact, he can depend on receiving a steady income from his tenants or mortgagees. The hardships of cultivation, the daily and recurrent problems of production and marketing are not for him—he is content to let the peasant fight them out alone.

Not only does land-ownership in India, as it exists at present, serve no good economic purpose, but it actually adds to the burdens on the cultivator. It has given rise, especially in the *zamindari* tracts, to a horde of intermediaries between the nominal proprietor and the cultivator. Some of the intermediaries, such as the *patnidars*, are virtually owners of an inferior grade: their rights are further subdivided among various grades of lesser owners, each of whom is responsible only for the payment to his superior of an annual rental, fixed in perpetuity, similar to that which the *zamindar* himself makes to the State.

In other words, the *zamindar* leases out his interest and the lessees do likewise, so that a long chain of rent-

receivers and rent-payers comes into being. In eastern Bengal, "proprietary" rights of this sort are often seven or eight deep. Under the *thika* system which prevails in many parts of the north the owner farms out the collection of rents and, as in pre-British days, there has arisen a hierarchy of such farmers who have no other object than to squeeze the utmost out of the cultivator and make a profit. [90]

### 3. *Expropriation and Enslavement*

While thus the open-field system has crumbled into excessive inefficiency and the principle of ownership—expanded, fortified, elaborated into an intricate network of proprietors and sub-proprietors and rent farmers—adds no element of scientific knowledge or organising ability to agriculture, but fleeces the cultivator remorselessly, the economic environment has rapidly ceased to be the self-sufficing village.

With the increasing use of money and the increasing facilities for communication, the kind of crops grown and the amount of monetary return on it are questions determined for the peasant very largely at the great produce markets of the world and the decisions interpreted to him through the local trader and money-lender. To these he must appeal; and it is the orders of these that he must follow, for alternative he has none. It is they who buy his crop, and they who supply the money he must have to purchase necessities, to pay taxes, to celebrate a wedding or a funeral.

If the peasant had more land and capital, if the owners took more interest in agriculture, if the general economic life of the country were more varied and adaptable, the impact of these commercial and monetary influences might lead to improvements in agricultural practice and organisation. But in the context we have described, their tendency is not to force changes in agriculture but further to depress the status of the cultivator.

Money he must have to carry on and for money he must go to the money-lender. But he does not produce



enough, or at all events is not able to sell what he produces at a sufficiently high price (since, for one reason, the money-lender is himself often the trader) to repay his debt and regain solvency. Having mortgaged his all, his paltry patch of land, he remains ever after a debt-slave. As the Report of the Royal Commission on Agriculture puts it : "For food he needs land, and for land he must plead before a creditor, to whom he probably already owes more than the total value of his assets. That creditor is only interested in the immediate exploitation of the property under his control."

In detail the position varies from district to district, but these are its major contours: the land continues to be subdivided more and more; ownership tends to pass increasingly into the hands of money-lenders and landlords; and the peasant is reduced to the condition of a tenant at will or a landless labourer.[91] These factors act and react on each other, with the result that the great majority of the peasants are expropriated and enslaved. Such is the permanent crisis in Indian agriculture, every phase of which is only aggravated when there is a serious fall in prices.

## CHAPTER XV

### ESSENTIALS OF REFORM

#### 1. *Is Large-scale Farming Possible?*

THE division and fragmentation of holdings has become so extremely inefficient that it is imperative to halt and reverse the process. Basically, since it affects the very face of the land, the problem is therefore one of consolidation, or creating efficient units of cultivation. But the practical considerations bearing on this question are numerous and variable, depending on the kind of crops grown, accessibility to markets, etc. While it is true that the majority of holdings do not suffice to support the cultivator, the issue as to the requisite scale of cultivation, large-scale or small-scale, can only be determined in the light of the circumstances of each particular district and locality.

However, there is one tremendous factor in Indian agriculture which makes the question irrelevant: viz. the enormous numbers of those who have to be found employment. Land reclamation and the spread of irrigation can add a little to the area available for cultivation, but there is no possibility of any very considerable increase.

The fact that the land is limited and that there is no hope of a quick diminution of the agricultural population creates an equation between land and labour which must be frankly faced. It implies that occupation has to be found for scores of millions of workers for whom agriculture means the independent exploitation of a plot of land either owned or leased for the purpose. It is the excessive number of such claims to work that is indicated by the phrase, "congestion on the soil." It is the land-hunger so characteristic, so evident all over India, the simple, elementary demand for space, for an acre or two of land from which a man can eke out a living.

Nevertheless, there are not wanting authorities who hold that the best hope for Indian agriculture lies in the promotion of competitive capitalist farming, in the policy of "betting on the strong," as it was known in Tsarist Russia. Education, propaganda, legal facilities, should all be designed, they urge, so as to further the spirit of competitive enterprise. Fill the peasant, they say, with the conviction that he should have a holding not of five and ten but of forty and fifty acres; encourage him to extract the maximum output with a minimum of labour and capital; incite in him the appetite for profit and more profit; and if naturally the initially less well-placed—and their number is legion—do not respond to these stimuli, they deserve to go to the wall.

Something of this kind is actually happening. Millions are being dispossessed and driven into destitution. The growth of capitalist farming, in the midst of such widespread distress and with contracting foreign markets, is a doctrinaire dream. There is, in fact, but one method which can lead to the creation of efficient units of cultivation in India: the multiplication of avenues of industrial employment so as to draw labour away from the land. In the meantime, and for many years to come, small-scale peasant cultivation must predominate; and holdings, instead of being amalgamated into larger and fewer units, will have to be retained in the peasant hands which clamour to work on them.

## 2. *The Failure of Tenancy*

The tenant in India is not, in law, entirely helpless. Various Acts have been passed to safeguard his position. A typical measure is that which confers on him what is known as the occupancy right, with a view to protect him from arbitrary eviction and enhancement of rent.

Such safeguards, however, have only created fresh opportunities for profiteering by the landlord. A new right in land has been brought into being, to the acquisition of which in many *zamindari* provinces the landlord's consent is necessary. The right depends on a time limit, and hence

upon the forbearance of the owner to exercise his power of eviction before it matured. Instances are met with of landlords making a deliberate attempt to prevent the emergence of the occupancy right. The device usually employed is some form of temporary lease, often oral. Sometimes the landlords force a reshuffling of the tenant's holding. When the identity of the plots is lost, resettlement at enhanced rates becomes easy.

The fact that there are types of tenancy less insecure than others is exploited by the landlords in yet another way. The form that this commonly takes, most viciously in the United Provinces, is known as *nazarana*, which is, in effect, a means of concealing the real rental by enforcing from the tenant the payment of a lump sum of money over and above the recorded rent. "At each surrender of tenancy or renewal of lease, after a course of life-tenancy, or at each settlement of an occupancy holding when it is given up for arrears of rent or otherwise, the landlord still has an option to exercise as regards the form of payment which would represent the price of the tenant's admission to security of tenure." [92] "Its evil consists not merely in the amount of accumulated capital (for *nazarana* is in essence the capitalisation of the increase of rent) of which the tenant is periodically deprived, but also in the handle it affords to the landlord on convenient occasions for enhancement of rent." [93]

Worse still, in many parts, especially in Bengal, Bihar and Orissa, whatever the provisions of the law, a variety of imposts and cesses are systematically exacted from the tenant, and it is not seldom that they are "collected with an iron hand, and are considered to be the first charge on the tenant, even in preference to rent." [94] The tenants have in general, owing to their ignorance and poverty, acquiesced in the violation of their rights for fear of worse befalling them.

These considerations are highly instructive. They suggest that, among a population to whom cultivation is the sole and supreme source of livelihood, of existence in the barest, the brutal sense of keeping alive, it is impossible

to devise any satisfactory form of tenancy. There are only three principles on which the relations between landlord and tenant can be regulated. The tenant can be handed over to the landlord's mercy, on the ground that "free" contract and *laissez-faire* make for economic progress: even the British Government has shrunk from adopting this course. Or the landlord can be deprived of all his rights except the right to receive a fixed annual income from the land—in which case his parasitic character would only be revealed the more sharply.

The third course is to preserve the landlord's rights more or less unimpaired, but endeavour to oppose against him a tenant similarly armed with legal rights. This is roughly what is being tried in India. But if a system of dual ownership of this sort is to work properly, two conditions are necessary. Even if tenant legislation were all that one could desire, there must be a judicial machinery cheap and accessible to the peasant, and a peasantry educated enough to realise what the law guarantees to them and with sufficient confidence in the courts to have recourse to them. Neither of these conditions exist in India.

In short, in India, as in nineteenth-century Ireland, equality of bargaining power between peasant and landlord, which is the essential condition of a stable system of tenancy, is totally absent. The measure of that equality, or rather inequality, depends in the last analysis on the equation between land and labour. If it is such that land is always at a premium, and the competition for it is intense, the owner of the land enjoys an advantage which would make itself felt through the interstices of any legislation, however artfully contrived, or in flagrant defiance of it; and the position of the competing tenants would hardly be improved. Irish history in the last century only confirms present experience in India.

### 3. *The Free Market in Land*

Tenancy, therefore, must be regarded as unsuitable to India and unworkable in existing conditions. Hence it is inexpedient also to permit the continuance of the letting

and sub-letting of land, its transfer by sale, or through mortgage, and its subjection to the present laws of inheritance. These transactions, as we have seen, powerfully assist land dismemberment and tend constantly to depress the cultivator's position.

It is immaterial whether the legal rights belonging to the cultivator are those of a peasant proprietor or a privileged tenant: the same causes lead to the same effect, in both cases. His want of capital for agricultural purposes, rents and taxes, his liability if he is a tenant to *abwabs*, *nazarana* and such-like tyrannical exactions, the necessity of maintaining his social status by appropriate expenditure on appropriate occasions—all combine to force him into debt, into mortgaging his land or tenant right, ultimately into complete surrender of it.

Or, if he is tolerably well off, he sub-lets his property either in part or whole, as he finds it more profitable than direct cultivation, in view of the keen competition for land. In the Berar cotton tracts, land is sub-let from ten to twenty times the amount of the taxes assessed on it. There are no doubt laws which endeavour to impose restrictions in these matters, but they are full of loopholes. Evasion is easy and common.

The result is either that the land is further broken up, and/or (probably smaller) tenancies and sub-tenancies are created, and fresh recruits are added to the class of parasitic rent-receivers. The new rent-receiver is in some cases the peasant proprietor himself or the occupancy *ryot* who has renounced the labour of cultivation. More often he is a stranger, a money-lender or merchant or moderately well-to-do peasant who steps, by way of mortgage or outright purchase, into the shoes of those who previously had proprietorial or privileged tenant rights, while the latter, divested of their legal claims, by the magic of money, become mere labourers without any sort of right in the fields they had claimed as their own. The displaced peasant works as under-tenant or hired farmhand or labouring partner on a crop-sharing system.

Thus the sale, lease and mortgage of land, though up to

a point their causes and effects are different, have in the end but one result: they dissolve the cultivator's legal ties with the soil and convert the peasantry into a rural proletariat. To stop this steady degeneration, it would not be enough to forbid one or two of these various kinds of transactions. As the agrarian condition of India, particularly in the *zamindari* provinces, shows, what cannot be achieved along any one line, can be achieved along another: if the cultivator cannot sell his tenant right, he can lease it: he can become a sub-tenant. It is not these partial transactions but their ultimate effect, which is the alienation of land from the cultivator, that requires to be restricted. The failure of existing legislation is due in no small measure to the fact that they attempt to prevent only some and not all these transactions.

## CHAPTER XVI

### LAND TO THE PEASANTS

#### 1. *Cultivating Ownership*

THE argument of the last chapter has led to three conclusions: (a) that as many of the peasantry as possible should be kept on the land; (b) that no suitable system of tenancy can be worked in Indian conditions; and (c) that the free sale and letting of land, in other words the free market in land, should be stopped. These three conclusions are but one, for each of them necessitates the others.

Thus, if the peasantry is to be retained on the land, we cannot tolerate the unrestricted alienation of holdings, which means the expropriation, however legal and seemingly voluntary, of its former possessors. Nor can we tolerate tenancy, which means that the owner need not be the cultivator, hence that he can own more than he himself can or will cultivate and so acquire the power to expel, if he chose, other cultivators from the land. The abolition of tenancy entails not only the abolition of the *zamindari* system as it stands, but the abolition of the leasing of land, and the restriction of its sale among those who are prepared to cultivate it with their own capital and labour, however limited; hence also the opportunity for all the millions who seek their livelihood on the land to retain, or to come into possession of, a holding. Similarly, to stop free trade in land, leasing and selling is automatically to limit the rights of ownership so as to prevent the emergence of tenancy and such accumulation of property as would entail expropriation.

Just as tenancy, expropriation and the free market in land are mutually complementary parts of a capitalist agrarian system, so the abolition of tenancy, the assimilation of ownership and cultivation, and the imposition of



checks on the transferability of this new right form mutually necessary elements in a system that might be described as "cultivating ownership."

This will not by itself solve the difficulties of agriculture in India, raise the yield per acre or even increase the peasant's annual income (except by what he has now to surrender to landlord and usurer). But it would remove what is perhaps the innermost canker in the present rural constitution of the country: the divorce between the man who supplies not only labour but the experience, the capital, the knowledge and the skill, and the man who reaps the reward.

Those who derive the greatest profit from the land, who receive rents and interest, occupy an invulnerable position, since they control something for which there is widespread and insistent demand, and hence feel no compulsion to take any interest in agricultural processes; while those who are condemned to labour and to plough have learnt from experience that whatever may be gained from increased exertion and more scientific cultivation, the gains would go inevitably to those whose mercy, whose pitiless rapacity keeps them on the land—the landlord and the money-lender. [95]

Talk about the importance of education as the prerequisite of agricultural improvement is therefore very largely beside the point. Before we can educate the peasant we must bring home to him his responsibility: we must instil in him the consciousness of power; and we cannot do this without freeing him from the feudal and monetary burdens which weigh so heavily on him, without shielding him from the ever-present menace of indebtedness, expropriation and virtual serfdom. It is education of this type that the peasant is acquiring for himself in the organised struggles he is waging to-day.

Once the peasantry has been freed—and put in possession of the land, with rights of sale and transfer restricted so as to secure that ownership and cultivation do not part company again—then, and only then, would it be possible to anticipate with some confidence the development of the

other aspects of agriculture that are vital to its prosperity. The necessity for the consolidation of holdings would not be any the less, but we should at least have got rid of one of the principal obstacles to it: the fear which besets all cultivators, and particularly the smaller ones, that a re-adjustment of the fields would weaken their position and shake their already precarious hold on the land. It would make it possible to regulate the process of consolidation according to the available facilities for irrigation, the quality of the soil and other technical considerations. Above all, consolidation could then be promoted and large-scale farming introduced, where practicable, without ruining the peasantry. They would only be combining to cultivate their lands in common.

## *2. Agricultural Co-operation*

Modern agriculture is essentially industrialised agriculture; industrialised in the sense that the rôle of man, relatively to that of Nature, has increased, and tends to approximate, however slowly and under whatever absolute limitations, to that complete command and mastery over the natural product characteristic of industry. Instead of waiting as in former ages more or less passively on the processes of Nature, counting on the soil and the sun and the weather to do their part with but a little intermittent coaxing, a little prayer perhaps and a good deal of resignation and patience, the peasant to-day can, given the requisite knowledge and skill, actively control the quality and quantity of the produce yielded by the land.

Such knowledge and skill and resources can only be supplied through the medium of co-operative organisations. But "single ownership by the occupier is the pre-requisite of agricultural co-operation." That is what is continually overlooked by writers who, discussing co-operation in India, sing its praises and point with monotonous insistence to Denmark and Ireland. Apart from other considerations—some of great importance—which render such analogies misleading, there is the fundamental difference

that in India at present a subservient tenant class is being invited to develop a co-operative movement.

However, as Rider Haggard wrote in his pioneer work on Danish agriculture, "the tenant is not a co-operator. When did the Irish peasants begin to co-operate? Was it not after they had bought their holdings or found themselves with a good prospect of buying them?" [96] And in recent years the most rapid development of agricultural co-operation in all its forms has been in Russia under a system not materially different from cultivating ownership.

It is indeed Russia that supplies the precedent for the measures that alone can put Indian agriculture back on its feet. There is no constructive alternative. The utmost perfection of rent acts and land courts and all the apparatus of agrarian first-aid—a perfection that it is utopian to conceive—will not undo the mischief already wrought. It can at best check deterioration.

## B. Industrial Organisation

### CHAPTER XVII

#### THE STRUCTURE OF INDUSTRY IN PRE-BRITISH INDIA

##### 1. *The Peculiarity of the Industrial Structure*

WE saw in Chapter XI that there was a broad cleavage in pre-British India between the peasants and the non-peasant classes, who, without discharging any function in the productive process, appropriated a share of the produce. The claims of the latter were based not on any title to the ownership of land, but arose out of the political and military rôle they played in the State. The peasants, for their part, were organised in villages of a more or less collectivist character. The holdings of the peasant families were clearly differentiated, but their interests were so interdependent, and individual initiative and collective regulation were so closely bound together, that the village was in a very real sense a community.

Industrial organisation clearly reflected the basic feature of the agrarian order which was the dominant sphere of production. Its distinctive characteristic was a cleavage corresponding to the division between the class of agricultural producers and consumers. There were two sets of craftsmen, one ministering to the wants of the peasants and the other to the wants of the non-agricultural classes.

We cannot find a suitable analogy for this "industrial dualism"—as it may be called—in contemporary society, for production for the market played a very minor part in the conditions we are examining, but a comparison with early feudalism in Europe may be helpful. Before the rise of the towns, such craftsmen as there were formed part of the manorial organisation. They worked for the peasants on the manor as well as for the manorial lord,

the manor thus forming a unit comprising the feudal owner, the peasants and the craftsmen. In India, however, the fact that the owners or consumers, the ruling class, remained outside the village introduced with it the corollary that the craftsmen needed by society fell into two groups: one being an appendage of the peasant mass, and the other of the classes superimposed on the peasantry.

## 2. *Village Industry*

So far as the peasants were concerned, this meant that the craftsmen had to be part of the primary unit that was the village, enlarging its character and transforming it from an association of agriculturists to one of agriculturists and industrial workers—smiths, carpenters, potters, cobblers, etc. The village community was rounded out by the addition of these members who enabled it to pursue its isolated and self-contained career with a minimum of recourse to the outer world.

If production for use by the producer and production for sale in a market be the terminal points of industrial evolution, the village artisan may be said to have occupied an intermediate position; not in the sense that only the surplus in his hand found its way to the market, but in the sense that he made things neither for his own use primarily nor for sale to an ultimate consumer: he made them to satisfy the needs of the other inhabitants of the village. Exchange between individuals was accordingly not absent—it was indeed an essential factor in the constitution of the village—but it was limited to that community, and hence extremely restricted in scope.

It is, however, not strictly accurate to say that there was exchange between individuals. For, while the peasants individually went to the artisans as and when they needed his services, the payment he received in return was not calculated on the basis of each job nor was it offered him by each customer (or client) separately. This obligation was borne by the village as a whole, which discharged it by permanently assigning to the craftsman a piece of land

belonging to the community and/or the gift of a fixed measure of grain at harvest time. Thus the other party to the exchange was the collective organisation of the village as much as the individual peasant, and the artisan was not merely a private producer but a sort of public servant employed by the rural community.

In this respect he was a dependent member of the village group, but the latter had no proprietary rights over him comparable to that exercised by the manorial lord over the peasants and craftsmen on the manor. He was, in the majority of cases, personally free; he owned the tools that he employed, and the raw materials of his trade, the clay or wood or iron, were to be had for the taking in the neighbourhood of the village or obtained by him on his own initiative from more distant sources. The chain that bound him to the village was not any positive sanction wielded by the collective body of the peasantry, but the negative compulsions inherent in the prevailing system of production.

While it is necessary to treat the peasant and the artisan as antithetic figures—since the difference in their occupations was well recognised and established in practice—there was by no means a complete division of labour between them. The artisan was a peasant in his spare time; and the peasant, particularly the women members of his family, carried on some activities that were not strictly agricultural, such as spinning. The separation between industry and agriculture was at a rudimentary stage.

Although the village was largely exempted from the need to exchange its products with the outside world, one at least of the village craftsmen regularly broke through the circle of self-sufficiency. The weaver from the earliest times found an outlet for his surplus in centres far removed from the village; and the advantage that he thus enjoyed of access to a wider market enabled him to be less dependent than the other village craftsmen on subsidiary agricultural employment, hence also less completely in the power of the agrarian community of which, like the rest, he was a member. He was the representative of a poten-

tially different economic order obtruded into the self-sufficient, agrarian-cum-handicraft village organisation.

### 3. *Urban Industry*

The other branch of Indian industry was governed by the requirements of the consumer class. This class was made up of a number of separate elements: the State itself, with the ruler and his court at the top, the hierarchy of intermediaries, officials of various grades, temples and other religious or monastic establishments, etc., etc.

It was owing to the subjection of urban industry to these groups, and their auxiliaries, that it acquired the characteristics which set it apart from the industrial organisation of the village. Since it had to meet the needs, not of a simple and small agricultural community, but the elaborate and varied needs of various social groups, each with its own standard of necessity, comfort and luxury, urban industry was more diversified and included a greater number of specialised occupations than the village could accommodate. At the same time it developed skill in such trades as it shared in common with the village—e.g. weaving or iron work—to a far higher degree.

The increased specialisation meant not only a greater technical competence in any given line of production, but also that in general the worker's ties with the land were dissolved more completely than in the case of the village craftsmen, and so a more complicated division of labour and a more effective separation of industry from agriculture were achieved.

The numerous forms in which this specialised labour was organised can all be grouped under two heads: handicraft proper and wage work. Wage work denotes all those forms which though not binding the craftsman more or less permanently as in the village community, yet imposed on him varying degrees of dependence. This dependence was, again, not legal in character: the worker was no one's serf; and he owned the tools that he used; but the raw materials of his trade were supplied to him by each consumer and the payment he received covered only the

labour and skill embodied in the finished product. In some cases it was the consumer who sought out the craftsman; in others, especially in the field of luxury consumption, it was the latter who had to move from one employer to another; but itinerant or not, the wage-worker only became active as a producer when he found a patron willing to entrust him with the requisite raw material.

Among these patrons we must include not only private individuals, but public institutions such as temples and, above all, the State. The ruler himself and the principal officers in the kingdom were the largest consumers in the land. Their domestic needs were vast enough, but their political and military requirements were on an even vaster scale. Huge standing armies had to be equipped and maintained: arsenals and storehouses of every kind had to be kept full; forts had to be built, and palaces, temples, roads, canals, etc. In an age when goods and services could not be obtained in any very considerable quantities in the open market, it fell to the State to organise labour for these manifold purposes, recruit the craftsmen that were wanted and set them to work either separately in their own homes or collectively in workshops situated in the palace or elsewhere.

The wages of the craftsmen, and the conditions under which they worked, varied according to circumstances. If some of them were engaged *ad hoc* for specific and temporary jobs, there were others, especially the more highly gifted and accomplished amongst them, who enjoyed such lavish patronage and protection that it becomes misleading to describe them as mere wage-earners; and if the majority of them willingly accepted the orders of the State and its representatives, there were undoubtedly others who were intimidated or coerced into service.

Wage-work implied not only that the craftsman stood in a direct relation with the consumer, but that the latter played an important part in the very process of production. In handicraft proper, on the contrary, the craftsman developed into a free and autonomous producer. That is to say, his tools, raw materials and place of work were



his own; and the finished article, produced in accordance with his estimate of the demands of the market and not to suit the specifications of any particular patron, was offered for sale at a market price.

The handicraft or price-worker was thus the most advanced type of producer in the old India. He was a full-time craftsman with no subsidiary agricultural interests; he was not tied to any single patron or group of patrons; and he did not have to wait for the instructions and the material assistance of the consumer before setting to work. The labour, cost and risks of production were borne entirely by him, and the finished article was offered for sale by him in his own shop or at a neighbouring market.

Between such independent production and wage-work, there were a number of intermediate types determined by chance or tradition. Nor were they necessarily incompatible with each other: there was nothing to prevent the price-worker, for instance, from accepting wage-work. Both forms, in short, existed side by side, and it was possible for the worker to pass from one to the other.

## CHAPTER XVIII

### HOW IT EVOLVED

#### 1. *The Impact of the State*

SUCH, in outline, was the industrial structure of pre-British India. It was based on small-scale production; the distance, in time and space, between producer and consumer was negligible; and the worker was not, in law, bound to anyone. It was in consequence a highly localised system: localised especially in the sense that the craftsmen were organised differently according to the different social strata they served. There were the village artisans, on the one hand, holding quasi-public posts and, on the other, there were the wage-workers and the fully independent craftsmen selling their wares at a market price.

An industrial order roughly corresponding to this description obtained as early as the time of the Buddha; [97] it was at all events the system which the author of the *Arthashastra* [98] had under his eyes when he compiled his classic treatise; and substantially the same conditions are depicted in the *Ain-i-Akbari*, a work of comparable importance, written in the seventeenth century, when India was on the threshold of the modern world.

In essentials, then, the system remained unchanged, and the workers continued in their traditional grooves, following each in his particular craft an unvarying technique in virtually identical conditions from century to century. But no economic system is totally destitute of the possibilities of growth. Once it has come into being, the implications inherent in it remain to be worked out. Even where a new mode of production does not result, the development and expansion that growth signifies are urged forward under the impact of forces striving to exploit the existing system to the fullest advantage. In India such active agents were the State and trade.

As a matter of ordinary policy, the State was concerned to safeguard the prosperity of the lands subject to its rule. Its revenues were derived mainly from taxation, and the yield of the taxes depended on the prevailing level of production and exchange. To see that the latter stood high, that there was no deterioration and that an advance was effected wherever possible was therefore of immediate interest to the State. The measures it took to this end were (a) those designed to extend and improve cultivation: reclamation of waste land and forests, building dams and canals, etc.; and (b) those designed to facilitate trade, such as the issue of coinage, road-building, etc.

But these limited yet vital services did not exhaust the range of State activity. They formed the basis on which there grew up, or tended to grow up, a very elaborate system of State control and regulation. Such attempts to dominate economic life could only meet, in the circumstances of that age, with partial and temporary success, and they were dictated by fiscal rapacity at least as much as by considerations of public welfare. Yet they were in some cases so systematically and meticulously worked out in theory, and to a lesser extent in practice, that terms like "cameralism" and "state socialism" have been used to describe the situation. The implied analogies are incorrect and misleading, but they suggest, at all events, that in normal times the State exercised a pervasive and, at many points, beneficial influence on the economic order.

The State was, moreover, in a position directly to determine the degree of vitality with which the productive system functioned. It employed a large number of workers of all kinds—artisans, builders, manual labourers, etc. (and even forced labour had to be recompensed in some form); it represented the largest concentration of demand that the Indian economic system had to meet; and it showed a recurrent disposition to establish monopolistic control either of the production or the sale of some commodities. All these activities were necessarily dependent on the resources available to the State, which in turn depended on the extent and the natural wealth of the territories com-

prised within it. Hence, with a few minor exceptions, Indian economic life found fullest and most varied expression in those regions which formed the base of powerful and extensive kingdoms and empires.

Notable in this as in other respects was the Mauryan empire. With nearly the whole continent under their control, and a Western frontier lying far beyond the present boundaries of India, the Mauryan monarchs had ampler resources than any earlier ruler. Their need was equal to their resources. The defence and administration of the empire called for a gigantic military and bureaucratic machine, and to secure supplies for the upkeep of this vast organisation the State was compelled to launch upon production on a large scale: to work mines and clear forests for the necessary supplies of wood and metal, to employ thousands of artisans, to run workshops, etc. The aim was to enable the State to achieve self-sufficiency, but the initiative and enterprise displayed in the pursuit of this aim imparted an unprecedented vigour to the whole economy of northern India.

While owing to the growth of trade it became gradually less necessary in the succeeding centuries for the State to seek self-sufficiency, political factors continued at different times and in different regions to infuse into the system of production the maximum vitality that it could sustain. These were the ages of prosperity and splendour. One such—the one most frequently and proudly dwelt upon by modern Indian historians—was the Gupta period when, after a long interval, a unified political system was once more established over the greater part of the country. The first Gupta sovereigns were energetic and successful generals. Their conquests expanded the revenues of the realm and set in motion a veritable flood of gold. From the south and from farther India the precious metal “kept pouring in” [99] in greater quantities than northern India had known before—and, distributed through various channels by the State, it served as the basis of the glamorous and sophisticated culture that prevailed in the central regions of the empire.

In the south, too, political consolidation and the corresponding administrative and military exigencies led to an accentuation of the economic rôle of the State. The Chola empire of the tenth and eleventh centuries, like the empire of Vijayanagar which came after, brought under one sway all the most fertile areas in peninsular India. The resources they thus commanded enabled them to develop a complex organisation to meet the manifold wants of the court and the standing army, as well as to employ thousands of craftsmen and ordinary labourers in the construction of towns, forts, temples and other public works of which the mammoth embankment at Gangaikonda-cholapuram may be cited as an example. Besides giving an impetus to production in general, the rise of these wealthy and powerful States had the effect of diffusing industrial techniques and levelling up standards of skill, wherever possible, by encouraging the migration of workers from one part of India to the other.

## *2. Commercial Development*

Equally with the State, commerce was an important influence on the development of the productive forces. Originally its function was merely to exchange surpluses from different areas. In course of time, however, it brought about two results of positive significance: it contributed to the enhancement of the productivity of land by making supplies of such essential commodities as salt and iron available to the village; and it raised the level of industrial production by giving the artisans access to markets they could not reach, by fostering specialisation and by completing the divorce between agriculture and some types of industrial production. Had it not been for the development of commerce, the existence of colonies and settlements inhabited entirely by industrial workers—which was a characteristic of the old order—would have been impossible.

There is evidence that such colonies had come into being as early as the sixth and fifth centuries B.C., showing

that trade had already reached a high stage of development. The rise of territorial States in that period, as well as the social and religious ferment in which Buddhism had its origin, were alike due in no small measure to the growing importance of merchant capital and the economic expansion that it signified.

While these developments were confined to the central and eastern portions of the Gangetic plain, conditions were being prepared in the Indus valley and beyond—the establishment of the Hellenic kingdoms, for example—which gave a strong impetus to overland trade and laid the foundations of commercial intercourse between India and central Asia, China and Persia. The dissolution of petty kingdoms and the struggle between rival imperialisms in northern India cannot be fully explained except in the light of the immense importance that trade had acquired and the desire that it engendered to dominate the routes along which it flowed—those that led across the Punjab and over the Hindu-Kush, and those that led down to the coasts of Kathiawar, Gujerat and Orissa.

Trade by sea had been carried on for long centuries between India, particularly south India, and the civilisations of Egypt and Babylon. It is probable that the art of writing was introduced into India by merchants familiar with the Phœnician script. The discovery of the monsoon about the middle of the first century B.C. marked a big advance in the science of navigation. It made possible a rapid increase in the trade between India and the Mediterranean countries. The profits of this trade were so great and such large quantities of gold and other precious metals were brought back to India that complaints were to be heard in Rome that the empire was being depleted of its wealth.

Rome fell, and the European market was disorganised, but in the meantime Indian arms and Indian merchantry had found a fresh field for their enterprise in the East. Parts of the Indonesian peninsula and some of the islands of the East Indies were invaded, conquered and colonised. The trade relations that sprang up on the basis of these

exploits were before long extended to China and even as far as Japan.

The development of internal trade presents no outstanding landmark. There were, to be sure, vicissitudes: there were phases of stagnation, and times when trade was completely ruined in some locality or other. In spite of these reverses and interruptions, and, looking over the course of Indian history as a whole, the process must be said to have been one of constant if slow expansion due, in the main, to natural causes—the growth of population, the clearing and settlement of new lands, the introduction of new commodities, etc.

This trade was not hampered as greatly as we are apt to suppose by primitive means of communication. A dense belt of forest separated the north from the south, but the disadvantage was in part neutralised by the sea, which also exerted a powerful unifying influence on all the territories bordering the long, wedge-shaped coast-line, regardless of the obstacles which impeded land communications. The north was more "open"—as it remains, of course—and allowed for free movement, while the two great river systems, the Ganges and the Indus, with their tributaries, rendered inter-communication between the different parts of the extensive plains they watered a matter of comparative ease. If to these we add the network of roads which linked together the principal centres and were built for administrative and military as well as commercial purposes, it becomes evident that, although boats and pack-animals only were used, transport facilities were not inadequate to the needs of the time.

The real handicap on trade was the chronic restriction of the market. The basic agrarian economy of India divided the population into two main categories: the peasants and the "consumer class." The peasants in their village communities did not offer a mass market. There was one element auxiliary to the "consumer class" which stood in need of raw materials for productive work, the urban artisans. For the rest, the only market available to the trader was the minority which batten on the peasant's

labour. It was composed of the armed forces, the various ranks of the bureaucracy, the court and its officials, and other classes of non-productive and privileged persons and their swarms of menials and dependants—including, as we should add, the merchant community itself.

Since India was politically divided, the complex social pattern formed by these groups was to be found in the different parts of the country, and in the aggregate their numbers were not inconsiderable (of concubines alone, we are told, there were over twelve thousand in the harem of a single rajah), but they never amounted to more than a fifth or a fourth of the total population. The collective demand they expressed was chiefly for consumption goods, and of these a large proportion was made up of luxury articles within the means only of the wealthiest and most prosperous. These market conditions, inherent in the socio-economic structure, determined the character of Indian commerce and, in the last analysis, set a limit to its expansion.



## CHAPTER XIX

### WHY IT DID NOT LEAD TO CAPITALISM

#### 1. *Results of the Evolution*

ALTHOUGH in the end the productive structure based on the village community asserted its influence, and was not to be superseded until it was attacked from the West, there were two directions in which its development was furthered by the joint action of the commercial and political forces we have described.

(i) Industrial and agricultural production became variegated, and an advance was made both towards sub-division of labour and large-scale production. The division of labour was most noticeable in some of the urban industries—enamelling, for instance—where the final product was the result of co-operation between several types of specialised craftsmen, but it made some headway also in such branches of production as textiles.

Large-scale production, in so far as it existed, was mainly governed by technical considerations. Mining is an example of an industry which brought together and gave simultaneous employment to thousands of labourers. And in two other instances—the industrial colonies, such as those of iron-smelters, glass-makers, weavers, etc., and the *karkhanas* or workshops maintained at many of the courts—there was large-scale production in the sense that numbers of craftsmen engaged in the same line of production were assembled at the same spot, but they were not strictly comparable to the “manufactories” of the early industrial period in Europe, since physical contiguity did not involve any considerable degree of co-operation in carrying through a technically sub-divided labour process.

(ii) There was at the same time a progressive integration of the villages into ever-widening circles of interdependence. This was the result, primarily, of a dual pressure:

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the pressure of the revenue demand of the central power and the village need of some essential commodities and a few articles of luxury. There arose in consequence a system of transactions which was further developed by trade and by such institutions as fairs, markets and pilgrimages.

Money, it is true, was never plentiful; payments in kind did not finally cease until quite recent times. Every Indian ruler was, however, concerned to increase its circulation, if only to render the land revenue mobile and amenable to control. There can be no doubt that at least a portion of the gold and silver that India regularly acquired in return for her exports was converted into currency and helped by slow, almost imperceptible, degrees to modify the massive rigidity and narrow parochialism of the economic organisation. The self-sufficiency of the village was not thereby destroyed. But it was certainly mitigated—the process being, of course, not uniform throughout India—and made to support a complicated exchange economy in which such concepts as supply and demand, price and cost of production were by no means unknown.

### 2. *Contrast with Europe*

With all these apparent elements of vitality and notwithstanding the developed commodity exchange that it sustained and promoted, the Indian economic system proved powerless of its own accord to effect the transition to the capitalist mode of production. We must attempt to find an explanation of this fundamental disability.

It is worth while at the outset to recall some of the changes which occurred in the feudal structure of Europe and paved the way for capitalism. Foremost of all was the disappearance of production for use. Under the stimulus of trade, the handicraftsman was released from bondage to the manor and worked instead for definite customers or for a merchant who provided him with raw material or, at a later stage, he bought the raw materials according to his convenience and took up wholesale production for the market.

The merchant, too, who wished to obtain increased supplies of a given commodity, was obliged to enter the sphere of production and either distribute his orders among a number of scattered producers or assemble them in manufactories under his direct control and supervision. Equally significant with these changes was the emergence of the towns. In these strongholds, the bourgeoisie shook off feudal jurisdiction and gained their independence. What is more, they acquired a privileged position which they used to dominate the economic life of the countryside, to reduce it to the status of a colony and to monopolise trade and industry within the areas under their control.

The reorganisation of production on these lines and the growth of town-economy were interdependent phenomena, but it is unnecessary for our purpose to indicate their mutual relations. All that we need to observe is that by their combined action they destroyed the foundations of the feudal order and cleared the ground for the wider markets and the more developed forms of capitalist production which finally swept them out of existence.

Some of the features of European development at this stage were to be found, as we have seen, in India, too. There were handicraftsmen who were completely divorced from agriculture and were whole-time industrial producers, working either for individual customers or for a merchant who supplied them with the raw material. And there were others, the most advanced type of workers, who established direct contact with the market and bought their raw materials and sold the finished product on the basis of capitalist calculations. At the same time there were merchants who went into production and gave employment to a large number of nominally independent artisans or even, to a lesser extent, set up workshops and manufactories.

But these features were not, as in Europe, marks of a transitional stage: they were integral to the economic system and remained essentially the same for hundreds of years. They were not the forerunners of capitalism. They did not effect any important improvements in the technique

of production, nor did they remove the market restrictions which cramped and stifled them. They led nowhere.

### 3. *The Cause of Frustration*

This frustration, this incapacity to outgrow itself which weighed down the productive system of India, may be explained, to begin with, in terms of the village community.

Owing to the direct combination of domestic industry and agriculture that it represented, and the resultant economies, the village was able to preserve its equilibrium and offer the strongest resistance to disruptive influences. The manor, it is true, was in some respects similar to the Indian village, but it was a less stable organisation. It was based on serfdom and ruled over by a feudal baron; and to serf and baron alike the development of urban trade and industry held out advantages, either of personal freedom or pecuniary gain. Hence, when these forces came into play, the manor succumbed, not perhaps without a struggle, but in a comparatively short period.

The village, on the other hand, which had in general no room either for serfdom or baronial exploitation, was the more firmly articulated in its inner structure and therefore succeeded, where the manor had failed, in maintaining its distinctive character. When we consider that, in the nineteenth century, it withstood the assault even of mass-produced goods—"which are everywhere perforated by the dead expenses of their process of circulation" [100]—and broke down finally under the cumulative pressure of political and economic changes, we cannot be surprised at the tenacity it displayed for so long.

The dogged resistance of the village is, however, only a part of the explanation. We must take into account also the political and social weakness of the Indian bourgeoisie—a weakness of which the most striking proof is the absence in Indian history of anything comparable to the town economy of the European Middle Ages.

"During this period the whole of the commercial and industrial life of the time was concentrated in, and indeed

confined to, the towns; was controlled, assisted and limited by municipal regulations. . . . The policy of self-interest pursued by the towns was directed not only against burgesses of other towns, but also in relation to the inhabitants of the surrounding agricultural areas. . . . Every town expected to obtain for its own consumption the surplus food grown in the country around, and sought to prevent the rustics from engaging in any industry which could compete with its own manufactures." [101]

The self-interest of the towns was, of course, the self-interest of the bourgeoisie organised in their guilds. And the guilds which later stood in the way of economic development were thus at this stage spearheads of attack against the old order, weapons by which the mercantile and industrial classes won not only protection for themselves, but the right and the power to enforce measures conformable to their interests.

In India, too, there were guilds—craft as well as trade guilds. (Something like a loose federation of trade guilds existed in south India for many centuries.) [102] Their origin can be traced back to the sixth century B.C., and a mass of evidence has come down clearly testifying to the numerous functions they discharged and the important rôle they played in economic life. Their main purpose, however, was determined by the need for protection: from encroachment by outsiders and from infraction by their own members of rules agreed upon by all. The guilds, moreover, regulated various matters of common concern; they served as mutual aid societies; they stood surety for their members; they entered into collective contracts with local authorities and institutions; and they jointly raised funds for charity and temple endowments.

The organisation and activities of these guilds were thus in many respects similar to those of European guilds. They were not without a recognised status in public law; their value to the State was emphasised by legal writers, and kings were enjoined to respect their customary rights. The guilds would also demand, and often obtain, various privileges, but these privileges seem to have been in the

main not economic but social in character: the right to live in a two-story building, for example, or to have double doors, or to use palanquins, or "to decorate their houses on the outside with garlands of water-lilies." [103]

In fact, all the evidence points to the conclusion that, far from achieving freedom for effective action, the guilds were at best defensive organisations. Their jurisdiction only extended to their members; and even here the ultimate responsibility for ending dissensions and enforcing guild regulations lay with the king. Many passages could be cited from the works of jurists and others praising the artisan's vocation and exalting its value and dignity. Yet the fact remains that the guilds were seldom strong enough to safeguard craftsmen from oppression and arbitrary treatment.

Individual merchants frequently rose to positions of power and influence. From the guild chief who became Lord of the Treasury of the Kingdom of Kasi (of whom the *Jatakas* tell us) to Muhammad Govan and Mir Jumla in the sixteenth and seventeenth centuries we have a long line of merchants whose wealth enabled them to hold, and exploit, high administrative posts. But the generality of merchants never enjoyed complete immunity from vexatious interference, or worse, penalisation and confiscation of their goods, by the State and its officials.

It is certain, in any case, that the merchants and handicraftsmen, the bourgeoisie as a class organised in its guilds, never attained the ascendancy that its European counterpart won for itself when it seized political power in the towns. In India the town was nearly always an outpost of the territorial State, governed by prefects or boards appointed from the centre.

Why, it will be asked, did the European bourgeoisie overcome this obstacle? Why did they triumph over the State machine, driving it out of or assimilating it into the towns? Why could the Indian bourgeoisie not do the same? The answer takes us to the heart of the question. There was an essential difference in the inter-relations which prevailed in Europe and India between the State,

town and country. For the agrarian system of India, public works and irrigation works were a necessity. It could only be met by an organisation with the resources and the authority of the State. And to control, regulate and supervise public works, and the collection of the land-tax, the State was compelled to station its agents at the various local centres, which were the towns.

Feudal Europe also was an agrarian society, perhaps more completely so than India. But irrigation and irrigation works were of negligible importance; and the towns, such as they were, were primarily fortresses and judicial and administrative centres: they were not vitally related to the productive organism. The capture of these key-points by industrial and commercial interests divorced from agriculture did not, accordingly, present any threat to the stability of rural production. (Actually, it served as a stimulus.) In Indian conditions, however, where it would have presented such a threat, the State, whose fortunes were bound up with the land, never relaxed its hold on the towns which were the bases of its action.

That is why commerce and guilds and towns—if we leave aside the circumstances of their origin at an early and obscure period—had no revolutionary significance in India: they did not bring about a new division of labour between town and country, concentrating industry and trade in one and agriculture in the other. That is why, again, although not only administrative but geographical, military, strategic and religious factors helped to determine the character of the towns, few of them derived their importance exclusively from trade and industry.

It was the existence of the town, and of an urban population requiring goods and services, which drew trade and industry towards it. And the Indian bourgeoisie, lacking the means to break down the opposition of the village and turn the countryside into its market, as the European bourgeoisie had been able to do, had perforce to submit to this situation and resign itself to playing a subordinate rôle to the courts and noblemen, the soldiers, officials, priests and pilgrims, who collectively constituted the con-

sumer class and who were in possession of the towns. It was in the main *their* wealth that the Indian bourgeoisie tried to tap.

#### 4. *Independent Evolution of Merchant Capital*

For these reasons—the invincible toughness of the village and the political impotence of the bourgeoisie—the evolution of Indian economy was inhibited and the spontaneous emergence of a capitalist order was rendered impossible.

Nevertheless, although production was not transformed, the independent development of commerce and merchant capital, “the oldest form of the free existence of capital,” [104] was not arrested. It had an indispensable function to perform. It was even assisted by some of the very factors which barred the way to capitalism; as, for example, the weakness of the craft guilds and their inability to impose restraints on trade similar to those that the medieval merchant in Europe had to struggle against.

This independent development had two remarkable results. Firstly, since the State was, if not consistently hostile, at best unreliable as a champion of mercantile interests, and since there was no State enforced system of bourgeois rights, commercial transactions and market dealings were fraught with quite exceptional risk and uncertainty. To combat this situation there arose (a) an exceedingly complex network of agents, jobbers, brokers and middlemen of every kind; and (b) an elaborate system of private conventions and regulations, of bails and guarantees, designed to obviate the need for and take the place of the legal sanctions that were lacking.

Secondly, merchant capital increasingly seized on the process of production, not by enlarging and improving the material apparatus of production, but by means of loans and advances to the individual craftsman. While in Europe this “putting out” or *Verlag* system was historically a transitional form, its appearance does not in itself revolutionise production: it only turns the direct pro-



ducer into a wage-worker and exploits him on the basis of the old mode of production. It is difficult to say to what extent it had developed in India, but there is no doubt that it was widely prevalent at the time the European Chartered Companies came on the scene.

## CHAPTER XX

### THE BRITISH CONQUEST AND THE BIRTH OF CAPITALIST INDUSTRY

#### 1. *India and the Chartered Companies*

THE merchant adventurers from western Europe who were looking for spices in the East—a commodity which India did not, in any case, export in large quantities—stumbled upon a country with a developed exchange economy. Even up to the eighteenth century, “Indian methods of production and of industrial and commercial organisation could stand comparison with those in vogue in any other part of the world.” [105]

“Buyers and sellers resembled in all essentials the buyers and sellers of the present day, and the commercial aptitudes of Indian merchants were certainly not inferior to those of the foreigners who dealt with them. . . . Throughout the country we find recognised market prices, constantly fluctuating with variations in supply and demand; the conception of a normal price governed by cost of production was perfectly familiar. . . . We meet, too, the keenest competition among buyers and sellers, eager search for exclusive information, the organisation of rings and commercial monopolies, the specialised activities of a large class of brokers, a remarkable development of financial machinery for credit, exchange and insurance; a crisis was at least as familiar an event in Surat in the seventeenth century as in modern Bombay; and though a bankruptcy law did not exist, the institution itself was generally recognised.” [106]

And yet this was an economic system which, caught up in its own contradictions, was not moving towards capitalism. Merchants who visited the land and traded with Indians at the ports, or travelled in the interior, noticed some of the more obvious features peculiar to

India. But even the most observant of them (with the exception perhaps of Bernier in the eighteenth century) failed to realise that there was a fundamental difference between their world and the world with which they were dealing. They had the future with them; the Indian merchant class, wealthy and shrewd and talented as it was, belonged to an order of things that was destined soon to collapse.

But during the sixteenth century, when the Portuguese dominated the Eastern seas and had a large part of the trade in their hands; and the seventeenth, when the British were striving to oust the Dutch; and even well into the eighteenth century, the basic economic condition of India did not undergo any substantial change. British and other European merchants were faced with precisely the same difficulties as had thwarted the Indian bourgeoisie: the village organisation, the paucity of purchasing power among the bulk of the peasantry, the limited market offered by the consuming classes and the perennial risk of arbitrary official interference.

They had another difficulty to cope with. Since there was little demand in India for foreign goods, and purchases had to be made in gold and silver—which England would not at the time allow to be exported—they were compelled to enter into an extensive trade with different parts of Asia to obtain the bullion they needed. The system was complicated, and it did not at first lead to a great increase in Indian exports to western Europe. But new commodities were “discovered,” such as indigo, saltpetre and textiles, and for these Europe presented a growing market. The trade was highly profitable. The East India Company paid out dividends ranging from 100 to 250 per cent. over a period of years.

The structure of production in India, however, was unaltered. The English merchants followed the prevailing practice and established direct relations with the workers—weavers and others—by making money loans in advance of delivery of goods. The system was oppressive in many respects. Besides, the military power exercised by the

Chartered Companies in the neighbourhood of their factories enabled them "to put a kind of force upon the natives to sell them their commodities" [107] in a manner that had not in general been open to Indian merchants.

## 2. *Revolution by Conquest*

Aurangzeb, the last great Mogul ruler, died in 1707. The Empire, which his policies had done much to weaken, began to break up; new claimants to sovereignty, Mahratta and Rajput, Sikh and Afghan, attacked it on different sides; and the epigones of the Mogul house, their empire shrinking around them, were reduced to a cipher.

It was in these circumstances that the merchants of the East India Company achieved a feat of which the Indian bourgeoisie had never been capable: they won political power. They had the support of their own Government, which was becoming more and more the instrument of bourgeois ambitions; and on Indian soil, their extra-territorial rights, their system of forts and the armed struggle they had waged for over a century for concessions and monopolies, had all trained them in the arts of intrigue and coercion.

The disorder and unsettlement which followed the fall of the Moguls gave them an unexampled opportunity: they seized it. They increased their intervention in local affairs, particularly in Bengal, set up and knocked down puppet nawabs, routed the armies sent against them, and became masters of one of the richest provinces of India. Trade was no longer their main concern. Theft, bribery, confiscation, taxation—every conceivable method of squeezing money and goods out of the inhabitants was open to them, and was used with a freedom and ferocity of greed not equalled perhaps even by the Japanese in Manchukuo.

As Sheridan said, the Company "united the mock majesty of a bloody sceptre and the little traffic of a merchant's counting-house, wielding a truncheon with one hand and picking a pocket with the other." Bengal was bled white. The experience whipped up the Company's

appetite. It saw how much better, how much more profitable, sovereignty was, than mere trade; and like a tiger that had tasted blood it pursued its hunt for territory with a new zest until, in the end, the whole continent lay under its dominion.

The conquest was significant, not because it subjected India to foreign rule, but because it marked a complete and irremediable break with the past. It placed power in the hands of a commercial class, a commercial class, moreover, which stood in the vanguard of developing capitalism. In a more complex form and on a larger scale, it repeated the achievement of the medieval merchants and master craftsmen who turned the countryside into a fief of the towns. Even as the supremacy of the towns sprang from their superior productive organisation, so India's new rulers were able to extend and strengthen their hold because, simultaneously, a technological revolution was in progress which gave Britain as decisive an advantage over India as the town had over the manor.

### 3. *Its Technological Basis*

This technological revolution itself was in origin not unrelated to the Indian trade. Its financial basis was provided in large part by the wealth that had been poured into England for nearly two centuries by the plunder of the East. [108] Be that as it may, the rise of machine industry brought into existence a manufacturing interest which absorbed and overshadowed the old merchant oligarchy and gained a commanding influence in Parliament. The character of the class which was annexing India was accordingly changed. Its preoccupations were those of the industrialist as well as of the trader; and whereas formerly the problem was to find something to sell in India, instead of giving away gold and silver in exchange for indigo and textiles, it was now a question of pushing the sale of goods of which, thanks to the industrial revolution, they had a superabundance.

It may be well to remark at this point that the technological backwardness of India was not as great as is com-

monly supposed. True, tendencies towards large-scale production were crippled. We have explained some of the reasons for it. Other factors also militated against the development of machinery. For instance, the water-mill, which Marx said was the elementary form of all machinery, could not be widely used in India, as it would have interfered with the irrigation systems.

Yet industrial skill, conceived not only as subjective labour power but in the sense of knowledge of the properties of minerals, metals and vegetables and of the technique of utilising them, was by no means rudimentary. The predominant position which India occupied for many centuries in the commerce of the world was based mainly on the demand for her manufactured products. One thinks, inevitably, of textiles—of calicoes and silks and muslins. There were numerous varieties of them, some so marvelously fine that “a piece twenty yards long and one yard wide could be made to pass through a finger ring.” [109]

In the manufacture of iron and steel, too, India had made no little progress. There are huge iron columns at Dhar and Delhi, and great iron beams in the temple at Konarak, which demonstrate that Indian craftsmen were able at an early date to forge the metal into larger masses than any that European foundries could deal with before the nineteenth century; and the celebrated Damascus blades were made of steel that India produced. Shipbuilding was another industry that might be mentioned in this connection. A sixteenth-century Italian noted that some of the vessels built in the Deccan ports were larger than any in Europe; and even as late as the Napoleonic wars an English admiral did not disdain to go into action in a flagship that had come out of the dockyards of a Parsi firm on the west coast of India. [110]

The weakness of Indian technology was not that it was primitive, but it was unprogressive, it was bound up with a social order antagonistic to its development. And the political expression of its stagnancy was a State apparatus that continued to be dominated by a class with a vested interest in land.

Both these factors were done away with at a stroke by the British conquest. It placed India under the absolute control of a class wedded to trade and industry. It was, moreover, a class which had overcome all previous restraints on production, technical and social, and was in a position to make and sell goods more cheaply than anyone else could. Immense economic power conferred by the industrial revolution and immense political power conferred by military conquest were united in its hands; and the most profound, the most far-reaching consequence of their simultaneous exercise was to bind India to England with fetters of trade and finance, and destroy for ever the village system which had obstructed change of every kind, in particular the evolution towards capitalism.

#### 4. *Decay and Disorganisation*

The dissolution of the village did not affect the agrarian structure only: it was reflected in and promoted by the transformation of Indian economy as a whole.

The most familiar aspect of this transformation is the decay and disappearance of the old trades and crafts. Village artisans, above all, were hit by the flow of goods from outside, and in many cases their services were rendered superfluous. Enamel ware, for example, and kerosene and aniline dyes (cheap and easy to use) displaced the potter and the oilman and the dyer. The tanner was thrown out of work because the hides and skins which had formerly belonged to him as of right were no longer to be had free; their prices had gone up and their owners preferred to sell them.

Miscellaneous industries (glass, paper, iron smelting, saltpetre), which were localised in different parts of the country and employed in general crude and uneconomical methods, were crushed out of existence. A similar fate overtook the numerous art and luxury handicrafts which had flourished in the towns—the fine textiles, the elaborate metal-work, the inlaying and damascening of arms, etc., etc.—except that, save in the case of textiles, their decline must be attributed not only to the importation of cheap

luxury goods but to the disappearance of the class of wealthy patrons, centring round the courts, for whom they had once catered.

More important than the extinction of some of these industries was the reorganisation of others on a capitalist basis. Not that they were converted into large-scale enterprises; but, without changing the process of production, or changing it only slightly, capital increasingly took possession of the productive system and depressed the workers' condition. Even before the British conquest, it was customary for merchants to seek control over production by entering into direct relations with the workers. Indeed, wherever handicraft production has to be reconciled with the demands of a market farther away than the local fair or town, the intervention of the middleman is indispensable.

In the course of the nineteenth century, however, not only was there an extension of the internal market, brought about by the improved facilities for transport and communication, but the worker had to struggle against the competition of manufactured goods. Consequently, his need of the middleman-capitalist became the greater, and the process by which he passed into the latter's power was enormously accelerated. The dealer did not guarantee him a secure wage, but he offered some wage—and it sufficed at least to ward off the prospect of destitution.

The capitalist penetration of the old productive structure that this movement signifies took different forms and progressed through various stages. It was perhaps most rapid and complete in the weaving industry. In others it led to the setting up of small workshops equipped with mechanical appliances. But in every case the tendency of the change was invariably to deprive the craftsmen of their independence and to turn them into an industrial proletariat owning not even the simple tools of their craft.

While indigenous industries were thus being either destroyed through competition or corroded by capital, some new industries on a fully capitalist basis slowly came into existence. Their origin may be traced to the early years



of the nineteenth century, but it was not until the 'fifties and after that they attained any importance. Chief among them were the so-called plantation industries, especially those concerned with the production of tea and, to a lesser extent, coffee. They were started with British capital and their market, too, was in Britain. In the case of jute, the Bengal weavers who had the monopoly of its manufacture were put out of action by the British-owned jute mills, the number and size of which increased as the demand for ropes, cordages, etc., grew with the growth of world trade.

The only industry in the organisation of which Indian capital took the initiative, and the products of which were designed mainly for the Indian and Eastern markets, was cotton-spinning and weaving. It had, however, unlike jute and tea, to contend with the competition of imported goods—Lancashire goods—and its development was determined accordingly. For many years it concentrated on the coarser varieties of yarn, with such success that the hand-spinning industry was killed and a large foreign market was captured. Weaving made some headway and the number of looms increased, but owing to Lancashire pressure, production had to be confined to certain classes of piece-goods. Besides plantations and textile mills, the only new development was in coal-mining, which was stimulated by the creation of a railway system.

The introduction of railways is, indeed, the most comprehensive symbol of the period right up to the outbreak of the Great War of 1914-18. It represents (1) the inflow of goods produced by the new manufacturing industries of Britain; (2) the investment of British capital not only in the railways but in plantations, mines and factories, so as to increase the supply of raw materials and foodstuffs; and (3) the export of raw materials and foodstuffs of every kind produced in India to pay for the manufactures she imported and to keep the wheels of British industry in motion.

The position, in brief, was this: The industrial revolution gave Britain an incomparable economic advantage, and the political power she obtained after a hundred years

of violence and bloodshed enabled her to exploit the advantage to the full by removing every obstruction and preventing the setting up of defensive barriers such as a free country might have raised. Hence industrial production did not expand. Actually, it went down. The few industries that did develop were, with the exception of the cotton mills, either agricultural industries (plantations) or industries exploiting a natural monopoly (jute) or industries designed to facilitate the movement and export of the raw materials (railway workshops, coal-mines, cotton-gins and presses, etc.).

The very fact that all economic activities were moulded to subserve industrial Britain and turn the country into an almost exclusively agricultural colony involved an unprecedented development of trade. For trade was the instrument by which the Indian market was knit together and the exchange of raw materials for manufactures carried out. The development of trade, even as it undermined the historic foundations of Indian society, led to two significant results.

First, the mercantile bourgeoisie, who had played a not inconsiderable rôle in the old India, attained wider scope than they had ever had. Dealers and middlemen and agents, big and small, multiplied in unchecked profusion. Their hold over the productive system was greatly extended. Both peasants and craftsmen were swept under their control and, subjected to their exploitation, helped to increase their wealth and influence as a class.

Secondly, the class of wage-labourers, who had formerly had but a small place in Indian economy, was enormously strengthened owing to the decline of handicrafts and the growing pressure on land. Millions of workers were rendered jobless. While an infinitesimal proportion of them went into the new plantations, mines and mills, they remained as a whole a vast amorphous and unorganised labour reserve dependent for its livelihood on casual and intermittent employment.

## CHAPTER XXI

### CONDITIONS OF INDUSTRIAL PROGRESS

#### 1. *Recent Industrial Development : Its Characteristics*

THE picture of India as a plantation producing only primary commodities must be modified in the light of the developments of the last two or three decades. Since the Tata steel enterprise was started, just before the war of 1914-18, there has been some industrial progress.

Everyone has heard of the rise of the textile industry. In 1937-8, the total mill manufacture in India exceeded 4,000 million yards as against 3,500 million yards the previous year, which was itself more than three times the pre-1914 figure. In 1913-14 India imported over 3,100 million yards, 97 per cent. of it from Lancashire. In 1936-7, however, imports dropped to below 800 million yards, only 44 per cent. of it being from Lancashire and 55 per cent. from Japan. The iron and steel industry, too, has definitely established itself. In 1936-7 the production of pig-iron stood at more than a million and a half tons; of steel ingots at about 900,000 tons, and of finished steel at about 700,000 tons. The manufactures of iron and steel have increased by 70 per cent. within the last ten years.

While textiles (including jute, of course), and iron and steel are India's major industries, there has been a striking advance in sugar. Production has trebled itself since 1929, when India imported a million tons, mostly from Java; in 1936-7 domestic production reached a total of 1.1 million tons. Similarly, in cement, India's output, nearly a million tons in 1936-7, was 80 per cent. more than in 1928-9. Another recent trend is the attempt to fill up the gaps in the industrial system by the establishment of subsidiary industries for turning out accessories and minor

products, such as lamps, paints and enamels, soap, matches, etc.

Some indication of the increase in manufactures during the last twenty years may be found in the rise in the export of articles wholly or partly manufactured in India from Rs 506.1 millions in the period just before the last war to Rs 895.9 millions in 1928-9. The rise in the import of raw materials during this period from Rs 100.8 millions to Rs 255.2 millions is also significant.

While in more recent years there has been a steady decline in the import of a whole range of manufactured products, only in the case of machinery, implements, instruments and vehicles has the tendency been in the reverse direction. Even the slump did not cause a setback in industrial output, though it reduced employment. The index of the volume of production increased from an average of 100 for the years 1920-1 and 1921-2 to 151 for 1930-1 and 1931-2.

Whatever the exact magnitude of this industrial expansion, it has been brought about by Indian no less than by British capital and enterprise. A part of the wealth accumulated through generations of trade and money-lending has at last found its way into industry, and alongside the British capitalist class a full-fledged Indian capitalist class has come into existence which seeks its profits no longer in commerce alone but through investment in large-scale industrial production.

The outstanding feature of Indian industry to-day is, however, not so much the coalescence of foreign and native capital but the degree to which ownership and control are concentrated within a comparatively narrow circle. "The same set of individuals"—rich merchants with a sprinkling of the more prosperous professional people—"hold the bulk of the shares in all the cotton, jute and other concerns." [11]

More striking still is the extent to which industrial concerns, operating in the same or in different fields, are linked together and dominated by a few powerful combines. It is calculated that about thirty of them control

over 400 important concerns in India. Andrew Yule & Co., for instance, manage and in part own fifty-four firms, spread out in fifteen fields, including jute, tea, coal, transport, insurance and sugar.

While the industrial structure is thus integrated, both vertically and horizontally, the relations that have developed between the trusts—even where their separate identity is preserved—only tend to increase the concentration of power and control. An examination of company directorships is illuminating: it showed that out of a total of 1,780 directorships on the boards of 480 concerns, 1,000 directorships are shared between 75 persons, 15 of whom have among themselves over 600 directorships. If we add that the more eminent of these industrial magnates are connected with banks and insurance companies as well, with a seat on the board of one or other of these financial institutions, it becomes obvious that the industrial system displays the essential characteristics of twentieth-century capitalism.

## *2. Why Industrial Expansion is Necessary*

And yet—this is the paradox—the industrialisation of India can hardly be said to have begun. Certain industries—cement, sugar, match—have, it is true, made rapid advances; but the cotton textile industry still falls short of meeting the whole of the domestic demand. The same applies to the silk and woollen industries; and the glass and paper industries are moribund.

The position with regard to the basic industries is even more revealing. Steel has been developed only to such an extent that less than half the country's requirements are at present met by home production. In coal, India is self-sufficing. And hydro-electric power has been developed, but the extent of its development lags considerably behind the potentialities of the country as well as its needs.

The engineering industry is practically non-existent, likewise industries concerned with the manufacture of such non-basic engineering products as motor-cars, cycles, watches, clocks, etc. None of the non-ferrous metals is

being produced; the more important branches of the chemical industry are totally absent; and although India is the largest producer and exporter of raw hides, she is still more or less completely dependent on foreign sources for all sorts of industrial leathers.

The backwardness of India is testified not only by this catalogue of deficiencies and the small number of workers employed in modern industries—under 2 per cent. of the total population—but by the fact that handicrafts still occupy a very important place in the country's economic system. They support nearly 14 million workers.

Some of them are organised more or less on factory lines, with craftsmen paid by piece-work; in others, the direct connection between producer and consumer still subsists; but in most of them—those at any rate which employ the largest number of workers, such as the manufacture of domestic utensils, and textiles—the middleman is the dominant figure. As he supplies the raw materials and buys the finished product, and is often the money-lender as well, he is in a position to dictate his terms. The artisans and small producers have in general no chance of earning or saving anything wherewith to begin to repay the debt in which they are steeped.

Various causes have helped to preserve small-scale production: the impracticability of applying machinery to the processes involved, the proximity of the market, the smallness of the demand, etc. But it is, above all, the incredible cheapness of the product that the artisans, barely keeping body and soul together, are able to place on the market. It is not without significance that "a large proportion of the requirements of the poorer classes in the matter of cloth are met by handloom weavers." [112] The survival of small-scale handicraft production is thus not merely a cause but a result of the poverty and industrial backwardness of the country.

Fundamentally, the problem of industrial development in India is the problem of transplanting and acclimatising the fruits of scientific technology so as to raise the whole level of productive activity. Its direct effect would

to multiply the avenues of employment open to the masses and thus meet what is by far the most urgent need of Indian economy—to draw away workers from the village, relieve congestion on the land and create the essential conditions of agricultural progress. The importance of this is recognised by all. Only industrialisation on an extensive scale can lead to such a diversification of economic life as would provide the millions who are now without remunerative occupation, or are only partly occupied, with opportunities of productive work.

The necessity of agricultural reconstruction would in itself be a sufficient reason for industrial development. Industrialisation, however, means not merely an increase in the number of factories, but the creation of cadres of scientific and technical workers as well as a degree of regional and social integration which in the circumstances of India are as essential as economic improvement. The transformation of every aspect of Indian life, its further unification, the substitution of a scientific and secular climate of thought for a medieval and irrational one: all this, no less than the removal of poverty, is bound up with industrialisation. It is the key to the future of Indian culture.

### *3. India's Natural Resources*

And for industrialisation, India has one indisputable asset: her wealth of raw materials. It may not perhaps be as great as it is sometimes represented to be—no systematic and comprehensive survey has yet been made—but it is certainly large enough to permit us to envisage the possibility of a full and many-sided industrial expansion.

On account of her vast area and the differences in climate, soil and elevation, India has an unrivalled variety of vegetable and animal life belonging to the tropical and temperate zones. Her agricultural products—tea, cotton, jute, tobacco, wheat, sugar-cane, oilseeds, etc.—are well known. In the forests which are among her most valuable natural resources there are inexhaustible supplies of raw

materials for a number of industries—lac, turpentine, tanning materials, timber, oils, bamboo pulp, etc.

Her mineral resources are a little less impressive. She possesses one of the most important high-grade iron-ore fields in the world, the reserves being estimated at 3,000 million tons; and of bauxite (aluminium ore) there is a superabundance. Manganese, too (which is essential for the iron and steel industry), and chromite and magnesite and some other ores she has in large quantities. But no very large deposits of copper, zinc, tin and lead have yet been found.

India's coal reserves also are limited, particularly those yielding high-grade metallurgical coke, but the deficiency is more than neutralised by her immense reserves of hydro-electric power. It is estimated that the minimum flow of the seven great rivers to the east of the Indus is capable of generating not less than 3 million horse-power for every 1,000 feet of fall, and the same is true of rivers in other parts of the country as well.

If it is accepted that the requisite raw materials and sources of power are available, whether India is industrialised or not seems largely a political and social question, depending on the policies in force and, in particular, on whether the capitalist framework is preserved or thrown aside. The present condition of India is not the result of a natural evolutionary process within India; it has been brought about by the imposition of a capitalist regime on a pre-capitalist economic system. Is industrial expansion of the necessary magnitude possible on this basis?

#### 4. *The State and Industries*

The question is to some extent simplified by the fact that *laissez faire* has been widely abandoned, and not least in India, as a formula governing economic policy. The Indian bourgeoisie has for years invoked State assistance in the development of industries, and in form at any rate the principle has been conceded by imperialism.

Since 1922 a policy of "discriminating protection" has been in force. It is hedged around with numerous restric-



tions; nevertheless, the industrial expansion of the last two decades must undoubtedly be ascribed to its influence.

In a number of other directions also the Central and provincial Governments have been not inactive. Some provision has been made for technical and industrial education; some financial assistance has been given to selected industries; a few research institutions have been established; technical advice has been made available in some cases; and pioneering and demonstration factories have been set up.

These measures are cited not because they make an appreciable difference in the total situation, nor because they indicate an excess of praiseworthy zeal on the part of the Government, but because they illustrate the ways in which it is frequently suggested the State should promote industrial development. There is nothing to be said against them, but the extent to which they can be pursued, hence their ultimate efficacy, depends very largely on the financial resources available to the State. Are they adequate?

A glance at the budget figures given in Chapter VII must disillusion us. They hardly leave a margin for constructive expenditure even on such essential services as health and education. And it is exceedingly improbable that any very considerable sums can be raised through fresh taxation. Borrowing, therefore, remains the only alternative. Is there a large volume of capital in India, waiting to be coaxed by the lure of profits into productive investment?

The question is important not only because it holds the key to whether the State can obtain enough funds to carry out minor schemes of assistance to industry, but because it is often urged that the State should (a) establish industrial banks and similar financial institutions for the express purpose of starting new industries, and (b) offer a guaranteed rate of return on certain classes of investments, itself subscribe a part of the share capital, and so forth.

It is not easy to calculate the financial resources available for industrial development in India. About 80 per cent. of the population consists of a pauperised peasantry

and artisanate. The remaining 20 per cent. are in a better position. Some of them indeed are well off. Their savings, where not already invested, as in land and buildings, is for the most part distributed as under: (1) in hoards of coin and bullion; (2) in the hands of money-lenders and indigenous bankers; and (3) as deposits in modern banking institutions.

Only in the last case are exact figures available. Since the beginning of this century, bank deposits (including the Post Office Savings Bank, which has over 12,000 branches, and the Co-operative Banks) have increased by nearly 570 per cent. and represent a total of over £180 millions. Not more than a fraction of this sum can, however, be regarded as available for investment, since, like the capital of money-lenders and indigenous bankers, most of it is used to finance current business. As for the so-celebrated hoards, while it is impossible to compute their magnitude with any accuracy, the amount of coin and bullion imported during the last half a century and more is known, and deducting from this the value of the precious metal exported in recent years, it is calculated that gold and silver worth at least £750 millions must still be in the country, either in hoards or in the form of ornaments, etc. On the basis of these figures, it is reckoned that capital to the tune of £500 or £600 millions could be raised in India if a safe and sufficiently high rate of return were assured. [113]

### 5. *The Question of Planning*

Finance, however, is only one aspect of the problem. The other is the nature of the policy it is to serve. Modern industry is not simply a collection of producing units: it is a system with a vital interconnection between its parts. Every individual industry depends on other industries for basic or auxiliary products, and its development is accelerated or retarded according to the cheapness and ease with which it can obtain them.

Many of the industries in India at present are at a serious disadvantage owing to the absence of an Indian engineering industry. The imported machinery "is sub-

ject to transportation, insurance and other charges which on an average amount to nearly 20 per cent. of its value; and the manufacturer therefore starts with a handicap of 20 per cent. on fixed capital charges and has to provide for 20 per cent. more in depreciation charges" [114] than his foreign rival. Similarly hydro-electric development is closely bound up with the development of power-consuming industries; and the experience of provinces like Madras and the Punjab, where ambitious hydro-electric projects have been launched, shows what a restricting factor the absence of a parallel industrial development can be.

Moreover, in the circumstances of India industrialisation involves not only the co-ordination of different branches of industry but simultaneous action in numerous other fields—in transport, banking, housing, education, technical research, etc., etc. "It may be said without exaggeration that the omission of one single item is likely to nullify the effects of all the constructive measures put together." [115]

The increasing recognition that industrialisation demands a comprehensive and many-sided policy that is simultaneously effective in different directions has brought the question of planning to the forefront in India. Industrialists and economists and politicians write about it and urge its importance. The Congress has gone so far as to appoint a Planning Committee, with a distinguished membership, to investigate the subject and draw up a scheme. Underlying most of this discussion, however, is the common confusion between State aid to, and direction of, industry with economic planning in the strict sense.

It is believed, apparently, that planning is not incompatible with capitalism; that it is quite respectable and "modern" because many Governments in Europe and America have, in its name, increased their intervention in economic affairs. The fact of such intervention is, of course, undeniable. But it is also undeniable that its object has been not to expand but to curtail production, and to maintain profits by such methods as rationalisation, reduction of working costs, restriction of output, etc.

Methods of this kind are already in force, or are contemplated in some Indian industries—in tea, jute, sugar, cement and even in cotton.

But the planning needed for industrialisation is planning on the lines indicated above—to mobilise the national resources and raise the general level of production—and the only country where such a plan has been put into force is Russia. What made it possible was, of course, the abandonment of capitalism.

#### *6. Political Freedom and the Future of Indian Capitalism*

This conclusion must be modified in one important respect. The hostility of imperialist interests to the industrialisation of India has been and remains one of the most formidable obstacles. Its removal would create, for the first time in history, a free capitalist class in India, able to exercise an influential if not necessarily decisive voice in the formulation of public policy. The State would respond to their needs with an altogether new alacrity. It is probable that a full-blooded policy of protection will be pressed for and brought into operation to exclude foreign competition. (There need not, however, be a large decrease in the volume of foreign trade, for India would still have to import machinery and industrial equipment in general, and pay for it with her surplus raw material.)

A fiscal policy alone would not be enough. The State would have to, and would be free to, adopt those other methods to which we have referred—the provision of facilities for technical education and research, the development of transport and banking, the grant of loans, subsidies, etc.—and incur fresh expenditure in these and other ways if industry is to reap the full benefit of protection.

The combined effect of these measures would certainly be a limited though not negligible expansion of industrial activity. A complete production in India of all articles at present imported would mean, it is estimated, an increase of about £100 millions a year in the national income. On the other hand, it is equally certain that the capitalist classes of India would prosper exceedingly. The limited

protection that Indian industries have enjoyed up till now has cost the consumer nearly £400 millions. This figure will only be multiplied under a fully protectionist regime; and the extra sums laid out by the State in various ways for the promotion of industry must be added to it.

And yet the industrial development stimulated by these methods would be not only slow and haphazard but seriously below India's requirements because, although political freedom would enable the State to play a vigorous and positive rôle, it would leave untouched what is after all the ultimate barrier to the advance of capitalist industry in India: the narrowness of the domestic market.

Already some industries, like the cement and sugar industries, have reached their maximum productive capacity and are eager to break into foreign markets. Further industrial development cannot but accentuate the need for such outward expansion. [116] Yet it is extremely improbable that Indian industries as a whole would be in a position to join with any hope of success in the international struggle for markets: the political and military weakness of India combined with the immaturity and inevitable inefficiency of her sheltered industries would unfit her for strenuous competition with the more powerful capitalist countries.

India's industries would therefore be compelled to confine themselves to the internal market. But if they are to develop to any great extent within this sphere, a radical reconstruction of the land system is indispensable, for that alone would make for agricultural improvement and raise the peasant's purchasing power. But agrarian reconstruction depends on drawing away some of the vast numbers who are now pressing on the land for their livelihood, and giving them industrial employment.

So the conclusion is forced upon one that the planning which is necessary to bring about an adequate measure of industrial development must not only aim at co-ordinating different industries, and finance, technical education and such-like factors, but embrace agriculture as well—must, in short, be economic planning in the broadest sense.

## CHAPTER XXII

### THE REAL NATURE OF THE REVOLUTIONARY CRISIS IN INDIA

INDIA was a predominantly agrarian civilisation. Its twin bases were the village and the State, whose function as collective organs of society was determined by the need to construct and maintain the irrigation works which were essential, over most parts of the country, for cultivation.

Marx described this as the Asiatic mode of production and distinguished it sharply from antiquity and European feudalism. It had certain points of resemblance with the economy of the ancient world: slavery, for example, was universally tolerated; but slaves were never assigned a vital rôle in any productive process, agricultural or industrial. It had, again, some features in common with feudal Europe, but the two characteristic medieval institutions, the manor and the town (as an economic force of a new kind), were not to be found in India.

It was, in fact, an economic system to which the West affords no parallel. Its uniqueness is revealed in its incapacity to transcend itself. It was condemned to immortality; from century to century its essential identity with itself was scarcely impaired. Hence, whatever the superficial resemblances it may have displayed to the condition of Europe in the sixteenth, seventeenth and eighteenth centuries, it was not in like process of transformation. Least of all was it in the throes of producing capitalism.

Any doubts we may have on this question will be dispelled when we consider that there is no evidence of scientific and political developments comparable to those which attended the rise of European capitalism. In her most creative periods, India assuredly made valuable progress in certain branches of science, notably in mathe-

matics, astronomy, medicine and even in chemistry; but the natural sciences bound up with industrial production remained in their totality at the level of a collection of empirical data.

Besides, while religious intolerance never touched the extremes of fanaticism reached in Europe, there is nothing analogous in Indian history, either on the eve of the British conquest or at a more remote date, to the Liberal movement and atmosphere and ideology which carried capitalism forward in its early stages.

The main reason, as we have suggested, why the economy of India did not evolve, did not change into something different from itself, was the recurrent antagonism between the rising sphere of production, as represented by the industrial and commercial classes, and the ruling sphere of production, as represented by the State, its intermediaries and its officials.

The British conquest released India from this impasse. By the application of tremendous political and economic force, it destroyed the foundations of the old order and set up the institutions of capitalism which India had failed to develop spontaneously.

Not only was the internal market increasingly integrated and capitalist elements in it strengthened, but Indian economy as a whole was simultaneously co-ordinated with that of other countries, particularly Britain. India had always had commercial intercourse with foreign nations, but this commerce now acquired a volume and significance it never had before. Nearly all economic activity in India was linked up with and became vitally dependent on an international economic system centred for long in Britain.

Two important results flowed from this situation. First, Indian merchant capital was liberated from its subservience to a landed class, but it found itself dominated by a more developed, hence more powerful, class of capitalists. It continued therefore to be denied the opportunity of growing through industrial enterprise and was compelled to look for its profits in the customary channels of trade and

money-lending, for which, however, there was enormously greater scope than ever.

Secondly, the old rural system was broken up. Owing to the decline of handicrafts and the prevailing industrial stagnation—not to say retrogression—the pressure on land increased. Agricultural conditions in general were disorganised and efficiency declined.

The conversion of India to capitalism, in short, did not bring about the result which is the supreme boast of capitalism—viz. that it raises the level of production. Or, rather, to be precise, it did not lead to this result in India because of the very fact that it did in Britain: for the expansion of productive power in the late eighteenth and nineteenth centuries was in part, perhaps in great part, based on India's supply of raw materials.

But it had one outstanding consequence: it forced multitudes of India's independent producers, artisans and peasants, into the clutches of petty capital, turning them into debt-slaves or wage-workers; and it threw millions more out of work and brought into existence a vast army of unemployed and under-employed whose life is wastage and misery.

The central problem in India to-day is how to create employment and raise the standard of living. The solution of the problem requires at the same time a thorough overhaul of the land system and rapid and extensive industrialisation. This double objective cannot be reached separately or by the spasmodic and intermittent improvisation of palliatives. It calls for a unified scheme co-ordinating agricultural reconstruction with industrial development and, *a fortiori*, for a scheme applicable mainly to agriculture and kindred matters, and another concerned mainly with industry and finance. A comprehensive plan of this kind presupposes socialism and cannot come into operation until the propertied classes are dislodged from power.

It is, however, essential to distinguish between capitalist imperialism and indigenous capitalism. The abolition of the former would strengthen the latter but little, and that not for long. Indigenous capitalism is a young-old capital-



ism—it has come to flower late in the day. Political independence will undoubtedly improve its position; on the other hand, the improvement will be neutralised in some measure by its inherent incapacity to enlarge the already restricted domestic market or fight for foreign ones.

Though it cannot count on a long lease of life, it would, at whatever additional cost to the masses of the Indian people, accelerate the tempo of industrial development; while, through lack of imperialist support, the landlord class would be weakened in its opposition to reformist measures calculated to bring immediate benefit to the peasantry. These would be no small gains. They would create a situation in which the attainment of power by the common people would be less remote than it is now. That is why the national liberation movement is of such high and overriding importance to India. It is not a socialist movement; but its success would make easier the transition to a full socialist economy.

The revolution inaugurated in India by the British conquest marked a stage and an episode in a world revolution promoted by the capitalists who were the "bolsheviks" of an earlier day. Every country was drawn into it and shared in its subsequent evolution, the nature of its participation and of the specific problems it raised from time to time varying according to the country's history and geography.

To-day, in the imperialist phase of capitalism—in the development of which Britain and India have jointly played such a central rôle: the one actively and to its great profit, the other passively and as a victim—each country is confronted with a problem the solution of which is only possible in terms of socialism: Britain with the problem presented by the existence of an abundance of productive power which cannot be fully utilised (except perhaps in war-time?); and India with the problem of a deficiency of productive power and the wastage of immense reserves of human and natural resources, expressed in grinding poverty and the unemployment or under-employment of scores of millions of men and women. In India, as in England, capitalist imperialism bars the way to progress.

## PART IV

# THE STRUGGLE AGAINST IMPERIALISM

### CHAPTER XXIII

## THE DEVELOPMENT OF IMPERIALIST POLICY

### 1. *The Pre-Mutiny Period*

THAT India was conquered in a fit of absence of mind is one of the commonest fallacies concerning the Empire.

True, the invasion was not carried out according to a premeditated plan, nor with a clear view of the stages through which it would pass and the consequences it would produce. None the less, there is evidence that even before the end of the seventeenth century the Directors of the East India Company were fully alive to the advantage of combining trade with territorial power. In 1687, for example, they wrote to their agents in Madras instructing them "to establish such a Politie of Civill and Military Power and create and secure such a large Revenue to maintain both at that place as may be the foundation of a large, well-grounded, sure English Dominion in India for all time to come" [117]

The opportunity to pursue these instructions with success did not occur till the middle of the next century, when the disintegration of the Mogul Empire, the weakness and corruption of some of the local rulers, the victory at Plassey and the acquisition of the right of revenue collection in Bengal, Bihar and Orissa, simultaneously created a condition of anarchy and armed the Company with the political and military power to exploit it.

The story of what followed has often been told. The Company as a joint-stock organisation and its servants in

their individual capacity united to plunder the territories which fell under their control with a systematic rapacity for which there is no parallel in history. Trade, both inland and foreign, was seized upon, and monopolies were established over a whole range of articles of consumption, including rice and salt, and tobacco and opium and betel nut. Not only were the taxes squeezed out of the people used to finance trade, but the artisans and peasants, as producers, were subjected to direct and widespread oppression such as few of them had experienced before.

To describe the East India Company after 1757 as a merchant body is inexact. It became more and more a corporation for looting India, and retained its character as a commercial concern only because the wealth of which it robbed the country could not be conveyed to Britain more cheaply and conveniently than in the form of goods and through the complicated channels of trade.

The naked exploitation of India and the ceaseless territorial aggrandisement in which the Company was engaged represented only a part of imperialist policy in this period. The other part was the steady encroachment on the Company's privileges and the gradual restriction of its monopoly under the pressure of developing social forces in Britain—above all, of the rising manufacturing class.

The Company operated under a charter and was, of course, subject to Parliamentary control. In return for its exclusive right to trade with the East, it was required to make an annual contribution to the national exchequer and promote the interests of the mercantile and industrial classes in a number of ways. These stipulations did not remove the jealousy of rival merchants or abate the impatience of manufacturers eager to increase their sales. As the years passed, their hostility grew more violent.

When the "nabobs" returned home laden with gold and jewels, and it was seen how profitable India could be, the attacks on the Company multiplied. They were renewed with added urgency when the American colonies were lost, and again when the Continental markets were cut off by Napoleon and the Napoleonic wars. Deprived

of its former markets, the British bourgeoisie turned longingly to India, hoping that the old world might be called in to redress the balance of the new, and intensified their agitation for ending a monopoly which, as they complained, enriched only a handful of individuals.

The Company fought hard to defend its position, but in vain. It could not in the long run prevail against the united might of the capitalist class of which it was but a single element. Pitt's India Act of 1784 transferred the substance of its political power to Parliament. An Act of 1813 abolished its monopoly of the Indian trade. Twenty years later its remaining monopoly, that of the China trade, was also abolished.

These two movements—the Company's territorial expansion and the progressive curtailment of its rights in favour of British capitalism as a whole—came to an end about the same time—in the middle of the nineteenth century. By then the greater part of India had been invaded and reduced to subjection. In 1858 the Company was wound up. Its territorial possessions and political powers were taken over by the Crown, and the Government of India was reorganised so as to serve as an effective instrument of imperialist policy.

## *2. Capital Investment and Free Trade*

Imperialist policy in the following decades corresponded almost perfectly with the requirements of the industrial and financial classes who had rapidly risen to power in the first half of the nineteenth century. By 1860 British capitalism occupied a position of unchallenged supremacy. Its industrial system was more advanced and efficient than that of any other country; its heavy industries were developed as nowhere else; and it had masses of capital ready for investment in every part of the world.

Whereas in countries outside the Empire its penetration was subject to political restrictions and hampered by the clash with independent indigenous interests, in India its opportunities were only limited by its capacity and its needs. Capital flowed freely in, but along certain well-

defined channels: in banking and shipping and trading concerns (agency houses); to a greater extent in plantations and mines and public works; but above all in railway construction, which affords us a striking example of the advantage to a capitalist class of having absolute control over the government of the country where its investments are placed.

Not only was the railway development undertaken without regard for the general economic condition of the country or the prior claims of other forms of development such as canals, etc.; not only was the land taken free and a higher rate of interest charged than was justified in the prevailing state of the London money market; not only were the companies permitted a degree of extravagance and corruption which would have ruined them if they were working according to the "orthodox" rules of capitalism, and which certainly resulted in doubling and trebling the cost of every mile of road built; but on top of it all, the investors were guaranteed against the contingency of the lines operating at a loss.

Till the end of the century they did operate at a loss. The deficit, estimated at over £50 millions, was met out of the Indian revenue. The risk of failure and bankruptcy, by facing which capitalist enterprise is said to serve the cause of social progress, was in this case eliminated at the expense of the Indian peasant. The guarantee system was subsequently modified, but the importance of India as a field of investment did not diminish. Investments in railways alone increased from a total of £50 millions in 1862 to approximately £370 millions on the eve of the last war.

Parallel with the policy of "developing" India by investing capital and stimulating the production and export of raw materials was the policy of free trade by which British manufactured goods were forced on India. It is sometimes said that this policy was adopted out of "intellectual conviction." We should at least add that the intellectual conviction was strengthened by the insistent clamour of Lancashire manufacturers who, for some years,

refused to tolerate even the low revenue duties that the Government of India needed to balance its budgets.

Already, during the first half of the century, the export of cotton yarn and piece-goods, to the detriment of the Indian industry, was making rapid headway, as the following figures show:

	1814	1819	1824	1829
Imports into India	0.45	15.82	52.96	52.16
Exports from India	84.9	90.3	60.2	1.3

(figures in lakhs of rupees)

But it was only after the introduction of railways that Lancashire came into its own. By 1860 the value of its exports to India amounted to more than Rs 11 crores (over twenty times the figure for 1830). It rose to Rs 19 crores in the next ten years; and, following the complete abolition of all customs duties in 1882, to Rs 31 crores (in 1890), and in the course of the next two decades it doubled itself and stood at Rs 66.3 crores in 1913-14.

The exports to India of British manufactures other than textiles also continued to increase throughout the pre-war period, but textiles formed the largest single item in them, varying from 48 per cent. of India's total imports in 1860 and 57 per cent. in 1870 to about 35 per cent. in 1910.

The nature of the bond thus created by imperialist policy between Britain and India is clearly seen in two outstanding and perennial features of India's foreign trade. One is the overwhelming preponderance of raw materials in export and of manufactured goods in import. It implies a total reversal of the international commercial position of India in the eighteenth and early nineteenth centuries, when cotton and silk manufactures formed the bulk of her exports. About 80 per cent. of India's total exports in the pre-1914 years consisted of raw materials and food-stuffs and an equal production of imports of manufactured goods.

The second remarkable feature is the regular and increasing excess of exports over imports. The value of the merchandise that went out of India was invariably

greater than that of the merchandise that came in. It is accounted for in part by the profits and interest charges on investments in India, but the disproportion had arisen long before investments ever began. In the days of the East India Company it was nothing but plunder. In more recent times a part of it at any rate is described as India's payment for "civil and military services"—i.e. for the privilege of being under British rule.

These two features of India's foreign trade expressed the attainment of the fundamental aims of British capitalism with regard to India: that she should supply Britain with the raw materials it needed, buy the manufactured articles it produced and provide the profits and interest on any capital that it found convenient to invest in India.

Entrusted with the execution of this policy, with the task of facilitating it, with the responsibility of securing India's submission to it, was an administrative system every important position in which was manned by a British official. Occasionally an eminent "educated Indian" would venture to remonstrate or criticise in mild, Victorian periods; a few agitators were at work here and there; landlords and merchants might be called into consultation on some local issue or other; but there was no question of a challenge to the absolute control exercised by the British bureaucrat.

He liked to think of himself as the "father and mother" of his district. He collected the taxes, kept order and wrote endless reports. He did not look very far into the future, but there was a mysterious conviction in him that somehow he was leading the Indian people onward to prosperity and civilisation. It was the heyday of the Anglo-Indian civil servant.

### 3. *The Emergence of Indian Capitalism*

It was also the heyday of imperialism. Throughout this period, from the middle of the nineteenth century to the beginning of the twentieth, the British capitalist class had immense financial and industrial resources, and was constantly adding to them. It dominated the markets of the world. And in India it was in a position to override every

consideration that clashed with its immediate and obvious advantage.

But this very ascendancy, and the industrial revolution on which it was based, stimulated the development of forces in the rest of the world which were destined gradually to undermine it. Rival imperialisms arose, and proved strong enough to challenge its supremacy in a protracted and ruinous war; in India a capitalist class came into existence which rebelled against the restraints imposed on it; and in all the markets of the world competition was more intense than ever.

In these circumstances, imperialism had of necessity to abandon the confident, dictatorial policy that had served for so long. It was driven into more devious ways. It was forced to seek for compromises and adjustments and, under the cloak of conciliation and surrender, endeavour to safeguard every gain made in the days of its expansion.

During the greater part of the nineteenth century, British imperialism had enjoyed a virtual monopoly of the import and export trades of India. Its control of fiscal policy, of the railways, of banking and shipping, and its network of commercial organisations gave it an unequalled advantage over all competitors. Indeed, there were few or no competitors.

After 1870, owing to the opening of the Suez Canal and the growing industrialisation of the world, an increasing proportion of raw materials which British industry could not use was diverted to other markets in Europe and America, but India's import trade continued to be dominated by Britain. Her share actually increased from 73·7 per cent. in 1870 to 81·1 per cent. in the next ten years. From 1880 onwards, however, it steadily declined: 72·2 per cent. in 1890, 68·7 per cent. in 1900 and was no more than 62·3 per cent. in the years immediately before the war of 1914.

The conflict with German imperialism which was the outstanding feature of world economy throughout this period was reflected in India in an increase in German imports to nearly 7 per cent. in 1913-14. By the end of



the war British imports had declined still further and Germany was completely out of the picture. The United States and Japan stepped into the gap. Starting almost from scratch, they had gained, respectively, 12 per cent. and 9 per cent. of India's import trade in 1920.

These figures do not, of course, suggest that the predominance of British industry in the Indian market had at this stage suffered a serious setback. But they must be considered in conjunction with the fact that Indian industries had by now, in spite of every obstacle, become a not unimportant factor in the situation.

The war itself gave them a strong stimulus. The proportion of manufactured goods to the total exports of India rose from 22.4 per cent. in 1913-14 to 36.6 per cent. in 1918-19. Not only did the demand for military supplies—which hardly excluded any article that ordinarily enters into civil consumption—encourage the establishment of various forms of domestic manufacture, but the temporary relaxation of competitive conditions in the home market enabled industries already established to take a sudden spurt forward.

This was particularly true of the cotton-mill industry. Whereas in 1900 Indian mills supplied only 9 per cent. of India's requirements as against 64 per cent. met by imports (mostly from Britain), in 1921 their percentage had shot up to 42 per cent. and imports declined to 26 per cent. Similarly the iron and steel industry, which might have gone down but for the abnormal conditions created by the war, increased its output of finished steel from about 19,000 tons in 1913 to 123,890 tons in 1918-19.

These developments marked a critical transition in the nature of Indian capitalism. From being predominantly commercial in character, it was launching out into industrial production. But its real strength lay not so much in the economic resources at its command as in its affiliation with a political movement which was becoming a menace to imperialism.

The national discontent which had been accumulating for decades was intensified as a result of the unsettlement

caused by the war. It expressed itself in a number of forms: in terrorism, in the boycott of British goods, in political agitation, in the resentment and hostility of the bourgeoisie and in a growing restiveness among the masses. There were peasant uprisings in different parts of India, mutinies in the Army and a rising spirit of revolt throughout the country.

The National Congress, the organised nucleus of all this unrest, was in a stronger position than it had been at any earlier period, and through its alliance with the Muslim League was able to confront imperialism with some semblance of a united opposition. Such a combination of circumstances would have caused concern to India's rulers at any time, but with the empire at war it was felt to be doubly dangerous.

#### *4. Conciliation and Interpenetration*

No declaration of the fundamental aims of British policy in India had ever been made till then, nor even was there in existence any authoritative survey of conditions in India as a whole.

The Famine Commission of 1880 had carried out an investigation into certain aspects of the economic problem, and in its report recommended, among other things, the extension of railways; and in 1858 Queen Victoria had made the famous Proclamation which was intended to pour honeyed words on the troubled waters of rebel India. It gave some pledges that are still unredeemed (as for instance that of racial equality) and expressed her concern for "the princes and peoples of India."

With the exception of these documents, which were merely of secondary and formal importance, there was no explicit statement of principles or of the major objectives that British policy purported to pursue. The empire was taken for granted; the system of bureaucratic government was taken for granted; the processes of the exploitation of India by British finance, trade and industry were taken for granted; and they were all defended at need by the dogmatic assertion either that they were good for India

or that Indians were unfit for any other dispensation. Such was the significance of the doctrine of *laissez faire* in the context of Empire.

The growing economic and political aggressiveness of India, combined with the exigencies of the war and the need to "keep India quiet," rendered it impossible for imperialism any longer to evade the necessity of formulating its intentions and attempting to show that they were entirely honourable in character.

Accordingly, Mr. Asquith announced that Indian questions would in future be approached "from a different angle," and on August 20, 1917, the Secretary of State for India, Mr. Montague, made a declaration in the House of Commons that has been described as the "most momentous utterance ever made in India's chequered history." [118] It laid down for the first time the proposition that British rule in India was intended to lead to a specific goal, viz. the "progressive realisation of responsible government in India as an integral part of the empire." Although it pledged Britain to take "substantial steps in this direction," the Constitution that was ultimately passed by Parliament in 1919 fell far short of giving India "a government acceptable to the people, because responsible to them."

Both at the centre and in the provinces it created legislative councils the majority of whose members were elected, although on a restricted franchise, but power remained concentrated as before in the hands of the Governor-General and the Governors who were sent out from England. Only in the provinces such subjects as sanitation, medical relief and local self-government (municipalities and district boards) were transferred to Indian ministers, while the "reserved" subjects (law and order, finance, police, etc.) continued to be administered as before by officials who remained outside legislative control.

How much actual power the Ministers enjoyed under this system, which was known as dyarchy, may be judged from the statement made by one of them in 1923. "I am Minister of Development," he said, "minus forests, and you all know that development depends a good deal on

forests. I am Minister of Industries without Factories, which are a reserved subject, and industries without factories are unimaginable. I am Minister of Agriculture minus Irrigation. . . . I am also Minister of Industries without Electricity, which is also a reserved subject. The subjects of Labour and Boilers are also reserved." [119]

A nominal surrender of the less essential parts of administrative authority was but one phase of the new imperialist policy. The other was an attempt to conciliate Indian capitalism by abandoning the purely obstructive attitude that had been persisted in for so long on the question of the industrial development of India.

Since the beginning of the eighteenth century, when Indian silks and calicoes were excluded from the British market, imperialism had neglected no measure likely to kill the old handicrafts and check the growth of modern industry. It was not only that fiscal protection was denied: whatever benefit the Indian cotton mills might have derived from the prevailing customs duties was resolutely cancelled by the imposition of an excise duty, and a tax of 5 per cent was levied on imports of machinery. Early in the present century the Liberal Secretary of State, Lord Morley, intervened to curb some of the provincial Governments which were beginning to show an undue concern for Indian industries.

The inconvenience, not to say the danger, of keeping India in such a state of backwardness, that she had to depend on foreign supplies even for such simple things as nuts and bolts was forcibly brought home by the war of 1914-18. The Government of India declared in 1915 that "a definite and self-conscious policy of improving the industrial capabilities of India" was called for, and suggested that it must be allowed to give "the utmost help to enable India to take her place, so far as circumstances permit, as a manufacturing country."

Two years later, the Industrial Commission, after studying India's requirements and resources, came to the same conclusion. It was followed by yet another Commission, and at last, in 1922, the Government changed over to a

policy of moderate protection to be extended to individual industries on the basis of recommendations made by the newly established Tariff Board.

This policy has to some extent stimulated industrial development, and Indian capitalism has gained in strength. Nevertheless, the Indian bourgeoisie is prevented from attaining an independent position as the result of two tendencies that have been more and more in evidence during the last twenty years. One of them is the attempt to concentrate the financial resources of the country and unify the money market.

At present, owing to the peculiar circumstances in which Indian capitalism has developed, the money market consists of a number of institutions of very different kinds with but the loosest connection between them. To fuse them together so as to create an integrated system and bring about a degree of uniformity is therefore a necessary part of the "modernisation" of India; but, promoted under imperialist auspices, its inevitable consequence is to enable British interests to exercise a more effective and complete control over the credit mechanism of the country.

A central bank, known as the Reserve Bank, was created for this purpose in 1935—after the failure of one or two earlier schemes—and it has been engaged in working out methods by which the two main sections of the Indian money market—the British and Indian joint-stock banks on the one hand and the indigenous bankers and money-lenders on the other—can be unified so as to make possible "the mobilisation of the whole of the floating resources of the country into one large pool."

The second tendency is towards an increasing amalgamation of Indian and British capital. It expresses itself chiefly in three forms: (1) in the establishment of industrial concerns with British capital but registered in India so that they are able to share with Indian capitalism all the advantages of the protective tariff (this is especially true in the cotton-mill and iron and steel industries); (2) in the penetration by British capital of Indian industries already in existence, and requiring additional funds for expansion;

and (3) in the flotation of new enterprises jointly financed by British and to a lesser extent Indian capital (the Steel Corporation of Bengal, Imperial Chemical Industries (India) Ltd., etc.).

A limited expansion of industries is doubtless one of the consequences of these processes, but another and more significant consequence is to increase the predominance of British capital and tighten its hold over Indian capitalism as its junior partner.

### 5. *The Crisis and the Struggle for the Indian Market*

Meanwhile, the international struggle for the Indian market was intensified, and British imports were steadily losing ground. The extent of the loss is shown in the following table:

DISTRIBUTION OF INDIAN IMPORTS (IN PERCENTAGES)

	1909-14	1914-19	1919-24	1925-9	1930	1935	1936	1937
U.K.	63	56	58	49	37	31	31	30
U.S.A.	3	7	8	7	9	6	5	7
Japan	2	10	7	7	9	13	13	12
Germany	6	1	3	6	7	8	8	9

The decline was due mainly to the development of the Indian textile industry, which diminished the total volume of imports, and Japanese competition, which reduced Britain's share of the diminishing total. In 1933-4, for instance, imports amounted to only 15 per cent. of India's requirements as against 26 per cent. in 1922, and of this the British share had dropped from 80 per cent. to 52 per cent. Even in the case of India's other imports the overwhelming predominance that British industry formerly enjoyed has been decisively undermined.

Only the Ottawa Agreements and the supplementary Indo-British Trade Agreements succeeded in checking this decline. Unable to improve her position by competition in the open market, Britain was obliged to use her political power and force India to give a preference for British goods in the Indian market. As a result, the British share in India's import trade rose from 35.5 per cent. in 1931

to 36·8 per cent. in 1932 and 41·2 per cent. in 1933. That the agreements were dictated mainly by the need to rehabilitate British trade and industry is shown by the fact that they led to an increase of Indian exports to Britain of only 10 per cent. for preferred articles and 18 per cent. for non-preferred articles, while British exports to India improved in the same year (1934) by 34 per cent. for preferred articles and 14 per cent. for non-preferred articles.

However, the fall in British exports, checked by these methods, is overshadowed by the general contraction of India's foreign trade. Both are aspects of the world economic depression, but in the case of India the depression only aggravated a long-term process: it did not reverse an upward trend.

Before the war, India's trade as a whole was rapidly expanding with the expansion of world capitalism. Since 1913 its rate of development has been slower than that of other countries, including war-racked China. [120] Nevertheless, it continued to rise till it reached the record figure of approximately £335 millions in the boom year, 1929. The depression pushed it down to below the pre-1914 level, and with minor fluctuations from year to year, it bids fair to remain there.

#### INDEX NUMBERS SHOWING DECLINE OF INDIA'S FOREIGN TRADE

	1913-14	1922-3	1928-9	1929-30	1930 1
Imports	100	169	133	128	105
Exports	100	140	127	118	94

  

	1931-2	1932-3	1933-4	1934-5
Imports	88	82	79	77
Exports	78	75	70	70

The consequence of this prolonged and apparently permanent decline in both imports and exports has been to reduce the already low purchasing power of the masses in India, with a corresponding diminution of their potentiality as a market for manufactured goods. The following table shows the extent to which the *per capita* consumption of some representative commodities has fallen in comparison with the pre-1914 average.

	1911-13	1931-3
Total foodstuffs.	376 lb.	375 lb.
Millmade cloth, Indian and imported	12-35 yd.	11-94 yd.
Salt	15 lb.	12 lb.
Sugar	14 lb.	15 lb.
Kerosene	0-5 gall.	0-6 gall.
Postcards	1-4	1-3

The absolute contraction of the total volume of trade, combined with the greater proportionate fall in agricultural prices, seriously affected India's favourable balance of trade, which it is essential for her to maintain to pay for the loans and other "services" imposed on her by imperialism. The deficiency was only met by exports of the precious metals she had absorbed in previous years. Between 1931 and 1936 more than Rs 272 crores' worth of gold was sent out of the country. On the postulates of orthodox economics, there is no harm in this. Certainly it was of immense help to Britain in tiding over the crisis, as Sir Josiah Stamp once admitted. [121]

But it means that India could not realise enough by the sale of merchandise to enable her to meet her current liabilities and was forced to draw on her capital resources for this purpose. Her stocks of gold are not inexhaustible; the stream will not continue to flow for ever. There are already signs that it is drying up; and when it does dry up, as it must sooner or later, India will be compelled to tighten her belt still further, reduce her imports and attempt to balance her foreign trade on a yet narrower basis.

#### 6. *The Dilemma of Imperialism*

British imperialism is thus up against a complicated dilemma. Its world monopoly gone, its industries on the decline, and challenged in every part of the world by new and powerful rivals, its need to cling to India as its exclusive preserve is greater than ever. But the very crisis which has enhanced India's importance to imperialism has reduced India's capacity as a market, weakened her economic position, deepened her poverty, lowered purchasing power, contracted trade and in every way limited the opportunities for exploitation.



The low standard of life and the paucity of purchasing power are not however due, primarily, to the shrinkage in world trade—which has merely given emphasis to them—but to the inadequate utilisation of natural resources, to idle man-power, inefficient agriculture, etc. To eliminate these fundamental defects in the productive structure of India, rapid industrialisation is essential. Yet, at every stage, the development of industry clashes with established British interests. The only method which can avail to restore prosperity to the Indian market is a method which must at the same time withdraw it from the sphere of British capitalism.

The inability of imperialism to foster and expand industrial production aggravates agrarian conditions and the distress of the peasantry, upon whom, therefore, falls the entire burden of imperialist exploitation. Hence, imperialism is faced with the enmity, not only of the bourgeoisie who demand opportunity for free development, but of the masses who see in it the chief obstacle to economic betterment.

Yet to surrender political power would amount to suicide, for it is political power alone that enables imperialism to control currency, to manipulate fiscal policy, to place investments on its own terms and to ensure India's unfailing discharge of all the liabilities that have been laid upon her without her consent.

Unable to break through these intertwined vicious circles, imperialism looks, not too hopefully, to the restoration of peace and a revival of international trade to rescue it from its dilemma. In the meantime the main elements in its policy may be disentangled in some such fashion as this:

- (1) A limited degree of industrial development, designed to conciliate the Indian bourgeoisie, check the expansion of rival imperialisms, afford a little more scope for British capital and serve as an insurance against a war emergency.
- (2) A deliberate effort to overcome the disjointed and ramshackle character of the internal financial system in India so as to exercise a more direct and effective control over all its parts, and at the same time to permeate the whole

structure of Indian industry with British capital so as to minimise the divergence of interest between British capitalists and Indian capitalists. And (3) a reform of the Indian constitution in such a way that, notwithstanding the appearance of a measure of progress towards democracy, every vital power is retained and reinforced while all that makes for disunity and weakness in the nationalist and anti-imperialist ranks is given full scope.

## CHAPTER XXIV

### THE NEW CONSTITUTION

#### 1. *Provincial Autonomy*

No other statute has perhaps been so long in the gestation as the Government of India Act of 1935, which contains the constitution of India as laid down by the British Parliament. Years of discussion, scores of memoranda, half a dozen commissions, half a dozen reports, mountains of "evidence," have all gone to its making.

One would expect it therefore to be a prodigy of statesmanship. It is—a prodigy of imperialist statesmanship. It is an elaborate and ingenious device to frustrate the emergence of a free India and to secure—so far as constitutional provisions can secure—the continuance of British rule in circumstances totally different from those prevailing at the time of its establishment.

The part of the constitution now in force sets up a system of government described as provincial autonomy in the eleven provinces of British India. Provincial autonomy means that, in respect of matters falling within the provincial field, the government of the province—consisting of an executive and a legislature—will ordinarily be free from control by the Central Government.

The head of the executive is the Governor, appointed in England by the King. While in each of the provinces there is a Legislative Assembly, in six of the more important ones there is also a second chamber (known as the Legislative Council), frankly intended to strengthen the position of vested interests in the province. The franchise, based on property and educational qualifications, excludes the bulk of the population, which is destitute and illiterate. About 35 millions have the right to vote out of a total of over 350 millions.

What invalidates the analogy that some may see between

these legislatures and a democratic assembly is not the extent of the franchise so much as the limitations on the authority of the legislature, and the principle of "executive independence" which makes the Governor, as the agent of imperialism, the virtual dictator of the province.

The limitations on the authority of the legislature are serious enough: it has no competence, for instance, over that portion of the budget which covers the debt services and the salaries of the Governor and other officials, nor may the Ministers bring before the Assembly any bills for taxation or loans without the Governor's consent. But these restrictions pale into insignificance in comparison with the vast powers vested in the Governor.

Not only is he entitled to override any and every decision of the legislature, but he has a number of "special responsibilities" in the discharge of which he is to act exclusively in his own discretion. Of particular significance is his special responsibility for law and order; for he can, on this ground, reject any proposal made by his Ministers and take any action without consulting either them or the legislature.

Finally, should he fail to find any Ministers willing to conduct the Government "on lines consistent with the discharge of his special responsibility," he can declare that the constitution has broken down, and "assure to himself all such powers as he judges requisite to retrieve the situation." The Governor, in short, is under no obligation to accept the advice of Ministers who possess the confidence of the lower house, nor need he abide by the verdict of the electorate. Whatever this system may be, it is surely not autonomy or self-government.

## 2. *The Federation*

The other part of the constitution (which has yet to be made effective) envisages a federal union of such "autonomous" provinces and a different kind of political entity, the States. The Government so formed will deal with matters of common concern to the whole of India. Its executive head will be the Governor-General, as the

representative of the King; and he will be assisted in part by officials responsible solely to him and in part by Ministers responsible to the Federal Legislature.

The Federal Legislature will consist of two houses, called respectively the Council of State and the Federal Assembly. British India and the Indian States will be represented in them as under:

	<i>Council of State</i>	<i>Federal Assembly</i>
British India . . .	156 seats (60 per cent.)	258 seats (67 per cent.)
Indian States . . .	104 seats (30 per cent.)	125 seats (33 per cent.)

Some of the more curious features of this legislature may be mentioned at once. First, a large proportion of its members in both houses (about a third of them) will not be elected at all but sit as nominees of the princes. When they speak or vote in the name of a State, they will be doing so not on behalf of the people of that State but on behalf of its autocratic ruler.

Secondly, the representatives of British India in the Council of State will be elected on a high property franchise and will therefore in the main represent the richer landed, industrial and commercial classes. This, it may be thought, is not unusual, since the Council of State is the upper chamber; but it is distinctly strange to find that, while the upper house is to be elected directly, seats in the supposedly democratic lower house, the Federal Assembly, will be filled by indirect election. They will be filled by persons elected by the members of the Provincial Assemblies, each communal group voting separately.

This brings us to the third remarkable feature: the system of separate electorates. Both in the Provincial and Federal Legislatures, the total number of seats is distributed among a number of separate electoral groups according to a fixed proportion; thus, e.g., Sikhs 31, Mohammedans 46, and so on. Voters belonging to each of these categories form an electorate by themselves and return the prescribed number of representatives.

Although it is customary to call these "communal"

Electorates, they are actually not based on any logical principle. If there are seats earmarked for Sikhs and Mohammedans there are also "landholders' seats" and "European seats," seats for representatives of commerce, industry, mining and planting, seats for women, etc. There are eighteen such groups and sub-groups in the Provincial Assemblies and eleven in the Federal Assembly. It needs no great penetration to see that this system piles up the obstacles against the formation of a majority in the legislature capable of pursuing any definite line of policy.

The most curious feature of all is this: although the Federal Legislature is as undemocratic as one can imagine a legislature to be; although capitalists and landlords are in full control of one chamber, and form the predominant element in the other; although the representatives of the princes constitute the largest single bloc in both; although, in short, it is an eminently safe, respectable and reactionary body, it has yet very little power.

Defence and foreign relations are entirely outside its sphere. So is the regulation of credit, currency and exchange, which is entrusted to the Reserve Bank; and the railways, which are placed in the hands of a special railway authority. On many other matters of importance, it can only legislate with the previous sanction of the Governor-General.

As for finance, the principal items of expenditure—military expenditure, interest on the public debt, salaries and pensions, etc.—which together amount to 80 per cent. or more of the central budget, will not be subject to the vote of the legislature. And there is a whole group of sections in the constitution which prohibit the legislature, in the most detailed and categorical terms, from passing any measure which may directly or indirectly injure British trading and financial interests in India.

While the authority of the legislature is restricted in these and numerous other ways, the constitution is lavish in arming the Governor-General, as the chief custodian of imperialist interests, with the most varied and extensive powers. In the case of the legislature, the difficulty is to

know what it can do. In the case of the Governor-General, it is to know what he cannot do.

Defence and external affairs are "Reserved Departments": they are exclusively under his control. He can veto bills passed by the legislature, prevent them from being introduced and arrest the course of discussion if they have already been introduced. He is, besides, charged with a number of "special responsibilities," which are so varied and elastic in their scope that under one or the other of them he can take any action he thinks fit. These special responsibilities are:

(a) The prevention of any grave menace to the peace and tranquillity of India or any part thereof;

(b) The safeguarding of the financial stability and credit of the Federation;

(c) The safeguarding of the legitimate interests of the minorities;

(d) The securing to the members of the public services any rights provided for them by the constitution and the safeguarding of their legitimate interests;

(e) The prevention of commercial discrimination;

(f) The protection of the rights of the States;

(g) Any matter which affects the administration of any department under the direction and control of the Governor-General.

Whether or not these special responsibilities are involved—and, of course, the more so if he cares to invoke them—the Governor-General can reject Ministerial advice, even if it relates to matters specifically declared to fall within the competence of the legislatures. He can secure such funds and such legislation as he may want; he can issue ordinances and make laws on his own authority; and, as though this were not enough, he can suspend any part or the whole of the constitution and assume plenary powers to carry on the government.

In a Federal system that bristles with anomalies, that is unlike any other federation, that reverses some of the accepted principles of political theory, the most striking feature—one that will doubtless most impress the person

who approaches the Government of India Act as a merely constitutional document—is the enormous concentration of power in the hands of the Governor-General. He is erected into a despot, with more complete, indisputable and overwhelming power than that wielded by the totalitarian dictators.

This concentration of power is in itself not significant. Theoretical considerations apart, it may not be even objectionable if, for instance, we were to imagine it as necessary to promote the welfare of the peasants. Besides, in spite of appearances, it is not the despotism of an individual. The Governor-General, all-powerful though he may be in India, is yet the servant of the Secretary of State and of the British Cabinet, which is the directive organ of British imperialism.

The Federal structure of which he is the keystone, and most of the arch, must be viewed as a whole: it must be viewed as the expression of the fundamental aims and methods of imperialist policy to-day.

### 3. *Significance of the Constitution*

It is, in the first place, an attack on Indian nationalism. An attack, in the very precise sense that, instead of waiting for the nationalist forces to grow into irresistible strength, imperialism seeks through the Federal scheme to create conditions in which anti-imperialist solidarity would be difficult of achievement and, if achieved, would be unable to find constitutional expression.

The extraordinary provision for indirect election to the Federal Assembly is obviously intended for this purpose. If there is an open mass contest, the success of a movement like the Congress would be certain; but since the provincial Assemblies are the electoral colleges and the voters number only some hundreds of individuals divided into a score of heterogeneous groups, the door is opened wide to the intrigues of the reactionaries and friends of the Government, and the emergence of an effective popular majority is rendered wellnigh impossible. It was not without reason that Sir Samuel Hoare assured the Tories



in the House of Commons that "short of a landslide, the extremists cannot get control of the centre." [122]

Indirect election is only one of the methods used to secure this result. There is the distribution of seats on a communal basis. Besides militating against the formation of a homogeneous majority in the legislature, it will foster disunity by injecting irrelevant sectarian considerations into every election. The communal differentiations embodied in the new constitution are not only more numerous than they have been but are so framed as to heighten the jealousies and antipathies that prevail among a section of the middle classes, and enable the Governors and the Governor-General, in the exercise of their special responsibility, to play off one community against another.

Apart from the electoral system, there are two features of this constitution which perpetuate disunity and make room for new dissensions. The combination of nominally autonomous provinces in a federal State with an irresponsible Government cannot fail to breed friction between the provinces on a number of grounds, administrative, financial, etc. (There have already been signs of it.) And, although the States are brought into the Federation, they will remain on a totally different basis to the provinces in relation to the Federal Government, and thus continue to bar the road to Indian unity.

Another imperialist objective that is clearly revealed in the constitution is the strengthening of its alliance with the princes, and with landlords, industrialists and financiers. The wealth and privileges of these classes will be guaranteed under the Governor-General's special responsibilities. In return, they are to help in protecting their own interests and the interests of imperialism by sharing in the government of the country. Entrenched in the Council of State, and with a large representation in the Federal Assembly, they will be in a position to dominate legislative policy and prevent the passage of any measure that seems to affect them adversely.

The tenderness shown to the princes is even more striking. The States account for only 23 per cent. of the

population of India, but their rulers will have 33 per cent. of the voting power in the lower and 40 per cent. in the upper house of the Federation. Yet all Federal laws will not apply to a State. The ruler is to decide the question himself; and specify, in the Instrument of Accession which marks his entry into the Federation, the matters in which he will accept Federal legislation, and whether and to what extent he will permit those laws to be administered in his State by Federal officials.

While, therefore, the States will have equal power with the provinces to legislate for British India, the Federal Legislature cannot make laws for a State except on subjects previously agreed to by its rulers. The princes will thus be able to defeat democratic measures in the Federal Legislature and at the same time maintain their autocratic rule in the States. They are under no obligation to modify it.

British imperialism has, in fact, given them a new safeguard. In addition to the right it has hitherto exercised to protect them from external aggression and internal turmoil, it has now assumed a special responsibility "for the protection of the rights of any Indian State and the rights and dignity of the Ruler thereof."

Imperialism would not show such solicitude for the princes and the propertied classes if it did not feel a deeper concern for the safety of British vested interests in India. There is an important series of provisions in the constitution which seeks to ensure (a) that the present predominance of British shipping, trade and industry will not be shaken; and (b) that no British company shall be excluded from benefits accruing under any measure passed by any Indian legislature.

Companies registered in the United Kingdom are exempted from compliance with the Indian Company Law, nor may a legislature in India impose any restrictions on them with regard to their capital, the nationality of their director and shareholders, etc. British and Indian companies are to be treated alike in matters of taxation. British companies carrying on business in India are to be

eligible for any grant, bounty or subsidy payable out of Indian revenues, to the same extent as Indian companies. What is more, the Governors and the Governor-General have a special responsibility to see that there is no discrimination, and are empowered to override any legislative act that aims at giving protection to Indian industries from competition with British goods.

The primary purpose of all these stipulations is identical with the aims of British policy in the nineteenth century, viz. to safeguard and extend the British hold on the economic life of India. Only, in the nineteenth century, Britain's "right" to do so was not challenged. To-day, in the face of attack, it defines that "right" in explicit terms, and hopes to continue to assert it successfully with the help of every reactionary element in India.

But now, as in the past, the condition of economic progress in India is the repudiation of that right, for only when India is free to discriminate against powerful rivals can she give the measure of assistance that her trade and industry require.

The creation of the Reserve Bank, with a Governor and Deputy-Governors appointed by the Governor-General, to control the credit mechanism of the country and regulate currency and exchange, must be considered in association with the Governor-General's special responsibility for safeguarding the financial stability and credit of the Federal Government.

Since the British right to exploit India is retained to the full, it is not surprising that these vital powers are also retained, for they have a pervading influence on the whole economic structure. It is by their means that imperialism has stimulated the flow of British goods into India and enabled India to maintain a volume of exports, in merchandise and gold, sufficient at least to cover her sterling liabilities. (There is, by the way, nothing sterling about these liabilities. They are, rather, base, arising as they do out of India's political and economic servitude.)

Even in the darkest days of the depression the Government of India, true to the traditions of the East India

Company, did not spare the peasant or fail the British investor. The financial provisions of the constitution make it plain that imperialism is determined India shall not default in future, either. That is a privilege of free nations.

Not content with securing its economic interests, imperialism makes assurances doubly sure by retaining full control of the military machine. Defence, "a cardinal department," and external affairs, are matters in which neither princes nor Ministers nor legislatures will have a voice. External affairs comprise: (a) relations with the princes—who are thus in the Federation and not in it.

This extremely peculiar position is dictated by the complex need of imperialist policy. The princes are brought into the Federation in order to form from within a constitutional barrier against the advance of popular democratic forces. They are at the same time kept out, and relations with them made the exclusive concern of the Governor-General, in order to perpetuate the present division of India and enable imperialism, in an ultimate emergency, to call on them to assist in crushing rebellion.

External affairs also comprise (b) the Government's dealings with the tribal territory between India and Afghanistan and (c) relations with foreign countries, whether commercial or diplomatic, which the Governor-General is free to manipulate, under the direction of the Foreign Office in London, according to the requirements of British imperialism.

Over and above all these political powers, supplementing them, serving as their final sanction, is the power of the Army and the Air Force.

Lest the Governor-General should meet with the slightest interference in the execution of these responsibilities, the constitution debars the legislature from voting on the army budget, authorises the Governor-General to raise whatever additional revenue he may require, and places the entire railway system of the country at his command.

The constitution, then, which has been recommended to India as ushering in an era of progress and democracy,

as a departure from all the old, bad ideas of exploitation and oppression, boils down to this. In some respects, it deprives the legislatures of power they had before the "dawn of freedom," as, for instance, with regard to the railways. It places the bulk of the revenues of India beyond the reach of the elected representatives of the people. And it firmly withholds from India the right of fiscal autonomy, in the sense of full freedom to use tariffs, bounties and subsidies for the encouragement of Indian trade and industry—and is therefore calculated to retard the economic development of the country. These may be described, perhaps, as its negative features.

Positively, (1) it confirms and enlarges the powers of an executive solely responsible to British imperialism; (2) it confirms and strengthens the determination to maintain British rule by force; (3) it confirms and strengthens, in explicit and precise language, the economic and financial domination of India by British capitalism; (4) it binds itself more closely and enters into an open alliance with all the most reactionary and privileged groups in India; and (5) carries the war into the anti-imperialist camp by endeavouring to divide and disrupt its forces.

"Protection" is its key-note: protection of British trade and industry, of British capital, of the British Army, of the services, of the princes, of the landlords, of the minorities. The only interest that it does not protect is that of the masses, of the peasantry and the workers and the middle classes. To protect them can only mean to protect them against exploitation. How can imperialism, whose essence is exploitation, afford such protection?

## CHAPTER XXV

### THE RISE OF THE NATIONALIST OPPOSITION

#### 1. *The Roots of Nationalism*

It is customary to ascribe the origin of nationalism to English education and the influence of the ideals set forth in English literature. We owe it to Macaulay, it seems, and through him to Milton and John Locke and Edmund Burke, that India is in revolt to-day. This is a consoling thought: it enables well-meaning Englishmen, faced with an aggressively nationalist India, to feel that it is after all their offspring, the sign and symbol of the fulfilment of Britain's mission.

Unfortunately, there is no justification for such a complacent view. If nationalism means the refusal to accept foreign domination, it has nothing to do with education, western or eastern. Long before there was a trace of western education, India was wont to fight her invaders and rise against tyranny. Nor did she acquiesce, willingly or readily, in the establishment of British rule.

It took a hundred years of protracted warfare to reduce her to submission. From the Battle of Plassey in 1757 onwards, there never was a time when some part or other of India was not clinging stubbornly to its independence and prepared to fight for it. Even at the end of this long period, in 1857, a desperate bid for freedom was made by "an alliance which included more diverse forces than had ever united in India against any conqueror from outside." [123] It was only after this had been put down, with implacable violence, that British power was finally consolidated.

If, however, British influence be taken to mean not the influence of English education and English ideals but the system of exploitation that imperialism represents, then,

incontestably, nationalism is its product.

Blindly and involuntarily, in the pursuit of its own interest, imperialism created the conditions out of which modern nationalism has emerged. By its railways, its economic policies and its political system, it swept away for ever the foundations of the pre-imperialist scheme of things. It disorganised the rural structure; destroyed village autonomy; rendered the social and economic functions of caste obsolete; brought about an immense dislocation of trade and industry; increased the interdependence between the constituent parts of India, and concentrated power in the hands of a ruling caste the like of which India had never known.

These circumstances account for the essential difference between modern nationalism and all those forces which had formerly struggled, without success, to check the expansion of British rule. Even in its weakest days, it embraced the whole of India and was not merely local or provincial in its outlook; it ignores all religious, sectarian and caste distinctions, and is concerned solely with what it conceives to be in the common interest; and it is a dynamic movement that has triumphed over every attempt at suppression and, even as it gathers strength, comes in the course of its development face to face with ever more complex problems.

There is no parallel in Indian history to a movement displaying all these characteristics. It is essentially a product of the imperialist age. And its object is not so much the revival or defence of anything that may be regarded as peculiarly Indian, but the elimination of imperialist exploitation and the reconstruction of India in the political and economic context of the twentieth century.

While, broadly, such is the significance of the national liberation movement, the successive stages of its evolution have inevitably been determined by the prevailing political and economic state of the country. [124] The nature of its demands, the methods by which they were promoted and the strength with which they were backed have all varied from time to time.

What has not changed is the fact that the Indian National Congress has remained its central organ for over half a century and has so far been utilised by the bourgeoisie, who brought it into being, mainly for the purpose of wresting concessions from imperialism.

## 2. *The Age of Loyalty*

The earliest phase in the history of the Congress becomes explicable only if we remember (1) that the bureaucratic regime established by imperialism gave little room for even formal consultation of Indian opinion; and (2) the entire ruling caste in India, both official and non-official, was imbued with a most unheroic hatred and contempt for the population over whom they had been providentially called to extend their protection.

These two features affected, of course, all classes of the people; but they were most keenly resented by the bourgeoisie, and in particular by the more prosperous sections of it, whose business or profession brought them into frequent contact with the administrative machine and enabled them to appraise the trend of government policy. The Congress which they organised as a means of ventilating their grievances was held each year at a different centre, and soon won the support of the educated middle classes in all parts of India.

It concerned itself at first chiefly with pleading for favours and rebutting the insult and contempt habitually shown by Englishmen towards the "natives." On political issues it distinguished itself by its profuse and obsequious declarations of loyalty, demanding at the most—in the words of one of its spokesmen at this period—"representative institutions of modified character for the educated community, who by reason of their culture and enlightenment, their assimilation of English ideas, and their familiarity with English methods of government, might be presumed to be qualified for such a boon."

Obviously, nationalism at this stage was a pretty feeble affair. But before long broader strata of the middle classes were drawn into it and the range of its preoccupa-



tions was widened. Various causes contributed to bring about the change. Towards the close of the nineteenth century India was visited by one of the most prolonged and disastrous famines in her history, and about the same time bubonic plague appeared in its most virulent form.

These events threw a lurid light on the social and economic consequences of imperialism. They stimulated the inquiries which resulted in the publication of such classic indictments of British rule as Dadabhai Naoroji's *Poverty and Un-British Rule* (the very title gives a clue to the mind of this generation) and R. C. Dutt's *Economic History of India in the Victorian Age*. Subsequently, the reckless extravagance of the Indian Government and the free expenditure of Indian revenue to further British imperialist interests in Tibet and South Africa and the Near East served to reinforce the growing conviction that Britain's sole object in India was economic exploitation.

While the eyes of the middle classes were being slowly opened to these realities, Lord Curzon, the Viceroy, a very superior English gentleman, made it impossible for them, by his high-handed and arbitrary policies, to continue to cherish any illusions as to their abject impotence. He "convulsed educated India from one end of the country to the other" [125] by proposals intended to curtail the facilities for higher education; and in 1905, in the teeth of virtually unanimous and frantic opposition, he pushed through the project for dividing Bengal into two separate provinces.

These events, combined with a certain disbelief in the invincibility of the white race suggested by the Italian defeat at Adowa and the Tsarist defeat in the Far East, effected a complete change in the temper of nationalism. The servile genuflection before the alien idols and ideals of the West which had formerly characterised it was now superseded by a self-confident militancy fortified by a recollection of all that was heroic and splendid in India's past.

A nationalist ideology was born—romantic, mystical, aggressive, riddled with fallacies, but sound enough to

restore the self-respect of the middle classes which had been trampled on so pitilessly by their rulers. *Swaraj* (freedom) was now claimed as a right, not as a reward for good conduct.

What is more, a new method of asserting the claim, not by means of resolutions and petitions and deputations to the bureaucracy, but through direct action in the form of the boycott of British goods, was introduced. It was taken up with great enthusiasm in Bengal, and spread to other parts of the country as well. The Government retaliated by adopting a policy of open and violent repression which drove the movement underground and provoked sporadic outbreaks of terrorism.

The National Congress reacted to these developments in the country at large by displaying the first signs of a serious dissension in its ranks. A new party came into existence, representing mainly the petty bourgeoisie who had been drawn into the movement. It denounced the "mendicant policy" that the Congress had been pursuing till then. It wanted to exert pressure, both on the bureaucracy and on England, by diverting trade and obstructing government—by an extension, in short, of the boycott method.

But this policy, regarded as "extremism" at the time, was resisted by the old leadership of the Congress, the so-called Moderates, who were terrified at the thought of direct action. The conflict between these two factions came to a head in 1906, and caused a split, which left the Moderates in full control of the Congress.

They were rewarded by the Government for their staunch constitutionalism with a few small concessions which, nevertheless, seem to have pleased them so much that one of them addressed his audience at the next session of the Congress in a very ecstasy of joy: "The clouds," he cried, "are now breaking in blessings over your heads, slaking the parched and thirsty earth. The time of the singing of birds is come and the voice of the turtle is heard in our land." [126]

Meanwhile, ignoring the birds and the turtles, the

Government hunted down everyone it suspected of extremism, and had them all locked up or deported.

### 3. *The Transition to Direct Action*

Nationalism had nevertheless been finally rescued from the deferential, not to say slavish, submissiveness which had afflicted it throughout the nineteenth century. It ceased to be merely a matter of turgid rhetoric indulged in by wealthy lawyers "alternately denouncing and blessing their foreign masters." It had become a struggle, conducted in the main by the lower-middle classes, students and others, with the boycott and occasional acts of terrorism and conspiracy as their principal weapons, while the Government retaliated by further tightening the screws of repression.

In this situation, amounting to a deadlock, the war of 1914-18 injected new and disturbing influences. It destroyed for ever the legend of the inherent superiority of Europe over Asia; it revealed the importance of India to the Empire, both as a source of man-power and of military supplies; it denuded the country of a large proportion of English civilians and military officials, thus giving Indians a greater control over the administrative machine than they had had; and it heightened the self-consciousness and self-confidence of the people.

There was, however, little or no open opposition to the war. Nationalist leaders of every shade of opinion rallied to the Government, not because they all believed that the war was being fought for freedom and democracy, but because they hoped that, by taking such official statements at their face value and demonstrating India's loyalty, they would be able at the end of the war to press their claims with greater force. And to reassure them and keep them in line, an announcement was made by the Secretary of State in the House of Commons that the "goal of British policy is the progressive realisation of responsible government in India."

These fine words did not abate the severity of the repression with which the Government pursued every form

of political activity. That it meant to continue the same policy even after the war was over became evident when, in 1919, it passed a law (the Rowlatt Act) to supersede the emergency measure that had been in force during the war years and give the executive power, among other things, to lock up without trial anybody they disliked for as long as they liked.

The unrest which had been growing all through the war now found expression in widespread rioting. Everywhere it was put down with a heavy hand; but in the Punjab the Government displayed a vindictive brutality unparalleled since the days of the Mutiny. At Amritsar, an unarmed crowd, trapped in a public square, bounded on three sides by high walls, was mercilessly shot down: 370 were killed and 1,200 left wounded on the ground.

Martial law was imposed; bombs and machine-guns were used against the people; an order was issued whereby all who had occasion to pass a certain street were made to crawl through; and there were floggings and whippings and arrests and confiscations and "fancy punishments" designed not so much to punish individual "rebels" as to terrorise and humiliate.[127] These atrocities were committed, of course, by the "men on the spot," but Parliament virtually condoned them by refusing to take any action beyond pronouncing General Dyer unfit for future service in India.

The Congress was rapidly transformed under the impact of these events. Its basis in the middle classes was widened, thousands of delegates and visitors (including a number of peasants) flocked to its annual session and its proceedings were no longer conducted, exclusively, in English. Moving closer to the people, it shook off the domination of the small English educated upper class which had controlled it ever since its inception.

The break with them was finally effected in 1920 when the Congress reformulated its principles and adopted the policy of direct action which had been urged, fifteen years before, by the "extremists." The attainment of *swaraj* (freedom) not only by constitutional means, but "by all

legitimate and peaceful means," was declared to be the Congress objective.

The campaign of direct action that was then launched was known as the non-co-operation movement. Inspired entirely by Gandhi, it was also carried out under his leadership. Its main features were the boycott of the legislatures, the boycott of foreign cloth, and the boycott of law courts and all educational establishments maintained by the Government.

The bureaucracy professed to regard the movement in the early stages with amused contempt, but took a different view when it found the boycott extended to the visit to India, in January 1921, of the Duke of Connaught and of the Prince of Wales some months later. Everywhere that the Prince went, hartals and demonstrations of protest were organised, and thousands of people were arrested for practising non-co-operation in this form.

Non-co-operation was, however, but one element in the seething ferment that was India. During the whole course of the movement there were uprisings, not directly connected with it, in different parts of the country. In Bengal there was a no-tax campaign among the peasantry of the Midnapore district; in the Punjab the Sikh peasants rose against the luxury and corruption of their priests; and in south India there was the serious Moplah rebellion which, though essentially economic in its origin, took the form of a communal conflict. All this deepened the crisis.

Gandhi was preparing to extend the campaign, and optimism was running high in the Congress ranks. Unexpectedly, an incident in Chauri Chaura, a small town in the United Provinces, completely altered the situation. A crowd of about 3,000, led by some Congress Volunteers, burned down the police station and killed a number of policemen. Shocked by this lapse into violence, Gandhi at once called off the movement—to the intense dismay and indignation of most of his followers. A few weeks later he was arrested and, following a memorable trial, sentenced to six years' imprisonment. (Actually, he was released at the end of a year.)

#### 4. *The Bloodless War against Imperialism*

Non-co-operation thus petered out. During the next few years nationalism exchanged direct action for a policy of constitutionalism. A new party was formed, the Swaraj Party, composed of Congressmen who had never quite believed in the efficacy of non-co-operation, and others, who considered that the councils established under the Act of 1919 could be utilised to increase pressure on the Government.

But all attempts to obtain reforms by constitutional means proved fruitless. Even the measure of self-government embodied in the 1919 Act was shown to be illusory when the Government, heedless of the solid opposition of the country, doubled the salt-tax and stabilised the rupee at 1s. 6d.

The appointment, in 1927, of an "all-white" commission, presided over by Sir John Simon, to inquire into the constitutional position in India further increased bitterness and antagonism. It was felt to be an arrogant affirmation of the claim that Britain alone was competent to judge whether and what political changes were good for India. It was boycotted and received with black flags wherever it went.

Meanwhile, the political temper of the country was rising. And although the Viceroy attempted a placatory gesture by declaring that "the natural issue of India's constitutional progress is the attainment of Dominion status," Congress, which had no longer a shred of faith in the value of British pledges, proclaimed "independence" for India and set in motion a campaign of passive resistance.

For the first few months civil disobedience was confined to such items as breaking the salt and forest laws, the boycott of foreign cloth, the non-payment of land-tax or rent in specified areas, the boycott of British goods, of shipping, insurance and other concerns, and the boycott of liquor shops.

But when the Government issued ordinances and

the police with special powers to deal with the movement, the opportunities for disobedience were multiplied and the campaign took on added force. The activities of the civil resisters included: organising processions in contravention of police orders; holding public meetings and demonstrations in spite of bans imposed on them; intensified picketing and boycott of British goods, shops, etc.; issuing unauthorised bulletins and leaflets, and distributing them among the people; conducting propaganda for the boycott of posts and telegraphs, railways, etc.; saluting the national flag in public and hoisting it over law courts and public buildings; withholding land revenue; and, in general, the deliberate violation of every law and executive order that was considered to be a breach of the rights of the people.

These methods were widely adopted not only by members of the Congress organisation, but by large sections of the middle classes in the towns, by the peasantry—particularly in the United Provinces and Gujerat—by school and college students all over India, and by thousands of women who, in many cases leaving the sheltered tranquillity of the *purdah*, took the leading part in making the boycott of foreign cloth and liquor shops effective.

The Government met the challenge by suspending the normal processes of law and giving the executive a free hand to crush the movement. The following is an example of the kind of conflict that ensued: [128] The police would issue an order that a procession must not enter a certain area, and when it tried to do so, the police would charge the crowd with their heavy iron-shod *lathis*. Sometimes for a whole day volunteers would come forward, offering themselves as targets for the *lathis*, and the struggle would only end by nightfall.

an some places, like Peshawar, troops were called out to an with the passive resisters. "The crowd stood their later facing the soldiers from 11 a.m. to 5 p.m. and were sentet from time to time." [129] Women, children, old releas were treated with impartial brutality. Over a

hundred thousand people were arrested and, for lack of jail accommodation, put in concentration camps behind barbed-wire entanglements.

Property was confiscated; bank accounts were seized; the Press was suppressed; meetings were prohibited; picketing was disallowed. In spite of systematic and violent repression, the Congress carried on the fight for nearly two years. Gradually, however, doubt and disorganisation set in, and by the end of 1932 the movement had collapsed.

While India was waging this bloodless war against imperialism, the constitution to be imposed on her was slowly being forged at the Round Table Conferences in London. It was finally passed by Parliament in 1935, and two years later its scheme of provincial autonomy was brought into operation. The Congress, just emerging from the disorganisation into which it had fallen in 1932, with its leaders one by one coming out of prison, decided to contest the elections to the new provincial legislatures in order to vindicate its claim to speak in the name of the Indian people.

It polled nearly 70 per cent. of the total number of votes cast and, after negotiations with the Government, Congress ministries were formed in seven provinces. Subsequently, Congress took office in two more provinces, so that in all but two of them—Bengal and the Punjab—"Congress Governments" were formed and began to function on the basis of policies laid down and co-ordinated by a sub-committee of the All-India Congress.

In assuming office, Congress declared that its object was not co-operation with imperialism, but to strengthen its position in the country for a struggle against the most vicious feature of the constitution—which is not provincial autonomy so much as the proposed Federation.



## CHAPTER XXVI

### THE WORKING CLASS IN ACTION

#### 1. *Trade Unionism*

TRADE unions were not unknown in India before 1918. The Amalgamated Society of Railway Servants had been founded in 1897, and early in the present century isolated unions came into existence in several places, such as the Printers' Union in Calcutta and the Postal Union in Bombay.

It was, however, the impact of the war of 1914-18 and the consequent industrial unsettlement that gave the first strong impulse to the movement. In 1918 a textile workers' union was started in Madras, and also the Seamen's Union in Calcutta and the Postmen's Union in Bombay. By the end of 1920 working-class organisations were to be found in almost every industrial centre in the country. Most of them were little more than strike committees consisting of a few officers and perhaps a few paying members, and they ceased to function as soon as their immediate object was achieved.

Since then unions have sprung up all over India and in almost all industries. There are at present nearly 250 registered unions with an aggregate membership of over 250,000. It is estimated that the inclusion of all un-registered unions would bring the total up to approximately 350,000. The figure represents about 10 per cent. of the industrial workers and a much smaller proportion still if we take into account the whole non-agricultural population of India.

At the same time the numerous scattered local unions were linked together in provincial and national federations. The All-India Railwaymen's Federation is one of the strongest organisations of this kind, with a membership of 150,000. In 1920 the All-India Trade Union Congress, a

federation comprising unions of all categories, was established with the object of co-ordinating the "activities of all organisations in all the provinces of India, and generally to further the interests of Indian labour in matters economic, social and political."

For ten years it served as the mouthpiece of organised labour. For the next ten years it lost its authority and much of its influence by dividing into rival factions. The immediate cause of the split, which occurred in 1929, was disagreement on such questions as boycotting the Royal Commission on Labour and the International Labour Conference at Geneva. A number of unions seceded from the Trade Union Congress and formed the Indian Trades Union Federation.

Meanwhile, another new central organisation, styled the National Federation of Labour, was set up, and the Trade Union Congress was further weakened by a split which resulted in the formation of the Red Trade Union Congress. A real difference on important issues, as well as trivial and temperamental differences, and the fact that the unions were so largely dominated by educated and politically minded persons or groups who had taken the initiative in forming them, were among the causes which led to the disintegration.

It has now been overcome; unity has been restored. First the Indian Trades Union Federation amalgamated with the National Federation of Labour under the name of the National Trades Union Federation, then the Red Unions returned to the Trade Union Congress and finally, in 1938, a merger was effected between the Federation and the Congress, as a result of which the Congress again represents all the workers' organisations in the country.

Organisational disunity has not, however, hampered the growth of trade unionism so much as the systematic hostility of the employers and the police, backed by the Government. Bribery, intimidation, spying, agents provocateurs—these are some of the means commonly used to prevent the formation of unions and, if they are formed, to break them up. The police and the employers work in

close co-operation; and, especially in the smaller towns where police influence is unbelievably strong, their threats often suffice to scotch any attempt to start a union. The inhabitants are sometimes even bullied into refusing food and shelter to a visiting labour organiser.

Where these methods fail, the Government has been only too ready to rush to the rescue. The sedition clauses of the Penal Code and the Criminal Procedure Code have been used on scores of occasions to check the activities of labour leaders and isolate them from the workers. In 1926 an Act was passed to legalise trade unions which fulfil certain conditions, but it is open to the individual employer to refuse to recognise them. A favourite tactic is to insist that there should be no outsiders among the office-bearers, and "an executive with workers only on it is soon broken, for the organisers find themselves out of work, though the reasons given may be plausible." [130]

The illusory privileges granted by the Trade Union Act have been further curtailed by the Trades Disputes Act, some sections of which "tend to turn even registered trade unions into a species of government-controlled debating societies." [131] Lightning strikes in public utility services are declared unlawful, also strikes not in furtherance of a trade dispute and strikes likely to endanger the public interest. An amendment of 1934 leaves it to the provincial Government to decide whether a strike involves or is likely to involve serious hardship to the community and is, accordingly, to be pronounced illegal.

Trade unionism has had to struggle not only against the steady and relentless opposition of the employers and the Government, but also against certain weaknesses in the composition of the urban working class in India; its migratory character, for instance, and the fact that in large centres, such as Bombay and Calcutta, the labour force is drawn from different areas and hence divided in linguistic and regional groups.

The extreme poverty of the worker, moreover, prevents him from contributing regularly to union funds, while the unions in turn are unable for the same reason to offer im-

mediate and tangible benefits to their members. Inevitably, ignorance and illiteracy create their own problems too, but their effect is not so serious as we tend to suppose. They do not by any means affect the workers' capacity to appreciate the advantages of collective bargaining and collective action. We have the assurance of an experienced trade unionist that "the workers' shrewdness and practical sense are much beyond what one would expect of men with little education." [132]

It is this shrewdness and practical sense which have triumphed over immense difficulties and created a vigorous trade union movement. Numerically small and ideologically divided though the unions may be, their strength is in the last analysis the strength of the entire working class in India which, through a series of bitter struggles, has advanced to political maturity.

## 2. *The Strike Struggles*

These struggles cover only the last twenty years or so. Before this period, instances of collective action were rare. Even when strikes occurred, they were as a rule nothing more serious than mild wage disputes which were always settled in favour of the employers. But the war of 1914-18 profoundly changed the situation: and when it came to an end, industrial conflict broke out on a large scale, sweeping into action hundreds of thousands of workers—to whom, as the Whitley Report said, the use of the strike was probably unknown till then—and affecting not only single factories but all the mills in a given industry.

To take the case of Bombay: there were two general strikes in the city, lasting six weeks and a month respectively and involving 150,000 workers, two strikes in Ahmedabad involving about 30,000 workers each, and a strike in Sholapur which involved the entire working population. There were also strikes among postal workers, tramwaymen, gas workers and railway shop workers lasting from a few weeks to several months and involving between 2,000 and 7,000 workers in each case.

Nearly all the important industries and public utilities,

including the tea gardens, were affected. The total number of strikes doubled between 1920 and 1921, and in the latter year over 600,000 workers in all were drawn into the struggle throughout India.

This unprecedented working-class activity had a perfectly simple reason: "a rise in wage levels was overdue, and the workers awoke to the disabilities from which they suffered in respect of long hours and other matters." [133]

The war had stimulated a degree of industrial expansion, Indian capitalism was in an exceptionally flourishing condition, profits were fabulous, many jute and cotton mills were paying dividends of 200 per cent. and more, yet hardly any of this prosperity trickled down to the workers. Actually they were worse off than before, for the prices of foodstuffs and other articles had reached a record height, and in the absence of a corresponding rise in wages the workers' distress became acute.

While this was the immediate economic cause which shook them out of their apathy, it cannot be dissociated from the national struggle which was broadening out at the same time. The Rowlatt Act and the massacre at Amritsar strengthened the feeling against imperialism and, culminating as they did in the non-co-operation movement, they created a revolutionary temper among the middle classes which was quickly communicated to the workers. It enhanced their self-confidence, it drew them into meetings and demonstrations and hartals, and it gave a political tinge to at least two of the most serious strikes of the period—one involving 11,000 railway workers in Assam and the other involving 10,000 workers in Madras.

Even considered in narrowly economic terms, the strikes achieved their purpose. In Bengal, for instance, in the last six months of 1920, 66 strikes out of 97 were completely successful. And all over India the principal demands of the workers were granted. Wage increases were conceded, and in 1922 a Factory Act was passed which reduced the hours of work from twelve to ten per day.

These gains are overshadowed by the fact that, in the course of the struggles which made them possible, the

workers' movement came into existence as a distinct sector of the anti-imperialist front. Trade unionism was born. Industrial labour was stirred into consciousness and began slowly to feel the strength in its giant limbs. It discovered the value of collective action, how effective it could be and how necessary it was; and discovered, too, that behind the employers that it fought there stood the Government with its police and its machine-guns and bombing 'planes. During the next twenty years its vision was to be increasingly clarified.

But in the period immediately following these years of strife—the period of so-called international economic stabilisation, when in India non-co-operation had been called off and politics were dominated by the constitutional Swaraj Party—working-class activity was at a low ebb, except in Bombay. Here the refusal of the mill-owners to pay the bonus which had been given for five years and which was equal to about a month's wages annually (the textile industry was passing through a depression) led to a strike involving 150,000 workers.

"With no funds to maintain them (even their wages for the past month were illegally withheld) and no help from charitable organisations (all of which were controlled by the Mill Owners' Association) they stuck to their demand for nearly three months. Many died of starvation in the streets of Bombay; others perished on their way back to the villages; Government troops were brought out against them, shooting some, wounding and arresting others." [134]

The strike was crushed. But it flared up again when the owners decided on the reduction of the "dearness allowance," which meant in effect an average reduction of about 10 per cent. in wages. They did not restore the cut—which alone brought the men back to work—until the Government of India, three months later, agreed to abolish the cotton excise duty.

A new wave of strikes involving a total of over half a million workers swept the country in 1928 and 1929. It was due mainly to the policy of rationalisation, wage reductions and increased hours of work which began to be

applied in the factories and on the railways over widespread areas. Strikes lasting for many months and involving thousands of workers took place in the Iron and Steel Works at Jamshedpur, the East India Railway, the South Indian Railway, the jute mills of Bengal, the woollen mills in Cawnpore, the cotton mills in Sholapur and even among the municipal sweepers and scavengers of Calcutta.

The most terrific and prolonged struggle was waged in Bombay, where the workers in all the textile mills came out simultaneously as a protest against speeding up (more looms per weaver and more spindles per spinner), rationalisation leading to the dismissal of large numbers of workers, and a further wage-cut of  $7\frac{1}{2}$  per cent. The conflict dragged on for over six months in 1928 and was resumed in 1929 when the recommendations of a committee of inquiry appointed by the Government proved to be disappointing. But in the end the strikers were forced to give in.

In fact, most of the 1928-9 strikers were unsuccessful and few concessions were obtained. Nevertheless, they marked a new stage in the development of the working class. They sowed the seeds of class consciousness. They underlined the political significance of the working class and increased the importance of the trade unions. Revolutionary emblems and slogans became familiar and were inscribed on flags and banners. What is more, in spite of the incredible hardships and privations they had to endure, the workers displayed a solidarity and tenacity of purpose till then unknown. Thousands went back to their villages rather than accept the employers' terms.

The Government used all the means of repression at its command against the workers. The police shot them down, charged them with *lathis*, forbade meetings, prohibited picketing and in every possible way tried to break their spirit. Scores of leaders were arrested on the slightest suspicion of militancy. The whole executive of the South Indian Railwaymen's Union was kept in prison without trial for nearly a year, at the end of which fourteen of its members were each sentenced to ten years' imprisonment. Blacklegs were imported into the strike areas, and in

Bombay this led to widespread "communal" rioting. Harassed by the police, bullied, beaten and intimidated, the working class received its first real lesson in political warfare.

The Government's campaign against the workers reached a climax with the notorious Meerut Conspiracy Case. Thirty-one of the most militant trade unionists in the country (including three Englishmen) were charged with "conspiracy to deprive the King of the sovereignty over India." They were kept in jail during the whole period of their trial, which lasted nearly four years. One of the alleged conspirators died in prison. In the end, three were acquitted and twenty-six were sentenced either to transportation or rigorous imprisonment for periods varying from three years upwards. (The sentences were reduced on appeal.)

Since the Government admitted that none of the prisoners was guilty of any action which could in itself be considered to be a violation of the law, it was evident that the purpose of the prosecution was to check the rise of militancy among the workers and stamp out the Communist elements which had played a leading part in the 1928-9 strike movement.

For a time this purpose was achieved. Then the Trade Union Congress split up and India was soon engulfed in the great depression. These factors combined to give a setback to the movement. It was exposed to renewed attacks and was powerless to defend itself. Wage-rates were everywhere cut, and several thousand workers were discharged, particularly on the railways. These moves were resisted by the railwaymen's unions and to a lesser extent, perhaps, in the textile industry, but without success. Between 1930 and 1936 the number of strikes remained fairly steady at about 150 a year.

However, following a temporary revival of industrial prosperity, the workers sprang once more into action in 1937 and 1938, and launched a struggle which in range and intensity exceeded that of the pre-crisis years. A colossal strike in Calcutta, paralysing the jute trade for



weeks, involved at its height over 250,000 workers; and in Cawnpore a general strike of textile workers rapidly developed into a general strike of all workers in the city.

This most recent strike-wave embraced not only the advanced textile industries and old-established industrial centres such as Bombay, Calcutta, Cawnpore, Sholapur and Madras, but the new industrial towns in the south (Madura, Coimbatore) and the States (Baroda, Indore), as well as backward industries like mining and a large number of workers in miscellaneous undertakings: tobacco workers, match-factory workers, tailors, bus drivers, building workers, rope makers, pottery workers, etc., etc. The utility of strike action was being recognised by ever-increasing sections of the vast working-class population of India.

The main demand of the workers was for the cancellation of the wage-cuts that had been repeatedly inflicted on them over the last decade. Everywhere, as in 1920, the cry was for higher wages. In Bengal, where the reactionary electoral system has placed in office a government dominated by capitalists and landlords, the strikers were treated in the usual manner—the police were let loose on them. Promises were held out, and they were betrayed. In the provinces under Congress rule—although grounds for criticism were not wanting—they fared much better and a substantial rise in wages was obtained.

All over India the strikes revealed a new spirit of cohesion and discipline in the working class. It fought not merely for the restoration of wages to the pre-depression level, but as a protest against the victimisation of union officials and other workers and to enforce trade union recognition on the part of the employers. This was a characteristic feature of nearly every strike at this time, and showed that the workers were ready, even at the cost of several days' wages, to insist on the right to maintain their own organisations.

Another significant feature was the conscious use of the strike weapon as a protest against the infringement of civil liberties (Sholapur) and the emergence of working-class

solidarity, not only locally but on a national scale. Big strikes such as that of the Calcutta jute workers and the Cawnpore general strike aroused the sympathy and enthusiasm of workers in every part of the country, and they rallied to the support of the strikers by holding meetings and collecting funds.

It is not yet true to say that all the millions who compose the working class in India have been drawn into a fully class-conscious and clear-sighted movement capable of decisive action. But it is incontestable that their confidence and militancy have grown; their political education has advanced by leaps and bounds; they have realised the effectiveness of collective and disciplined struggle. And they have produced, painfully and against overwhelming odds, a revolutionary minority upon whom rests the immense task of forging them into impregnable unity and leading them to power.

## THE PEASANT ENTERS THE ARENA

1. *Early Peasant Revolts*

WHERE the peasant is concerned, imperialism is like one of those diabolical medieval contrivances which enclose the victim in an iron case and stab him with a hundred sharp daggers.

There is not one of its multifarious processes of exploitation but finds its way down to him, bleeds him and crushes him. Its revenue system wrings money out of him for purposes utterly unrelated to his welfare. Its political system tears him from the protection of the village, disarms him and places him under the policeman and the soldier. Its economic system condemns him to be a producer of cheap raw materials for foreign industry and mulcts him of his gold and silver, should he have any, when low prices threaten to deprive his exploiters of their pound of flesh.

And its industrial policy raises the price he has to pay for manufactured goods and at the same time increases rural unemployment and the competition for land, with the result that the conditions of agriculture steadily deteriorate and he is less and less able to bear the burdens piled on him. He is driven out of his meagre patch of land, . . . he becomes a privileged tenant, perhaps . . . a tenant without privileges, . . . a debt slave, . . . a casual labourer, . . . and at every stage on this road, the only road to "prosperity" that imperialism offers him, his standard of life sinks a little and his poverty, already so desperate, tapers down to destitution.

Even if he does not always see the hand of the imperialist Government behind this engine of oppression, he cannot fail to see the all-too-visible hands of the money-lender and the landlord. It is they who take his land and hold him in

bondage, it is they who are the immediate beneficiaries of the agrarian system that imperialism has created and maintains for its own advantage.

Now it is no new thing for the peasants in India to rebel. All through history their ultimate defence against tyranny has lain in armed insurrection, and not a few of the dynastic changes which punctuate the history of India were brought about by peasant revolts as much as through palace intrigues and military invasion. The nineteenth century, too, witnessed several such uprisings, the greatest of them being the Mutiny, which united the peasants over a vast territory in northern and central India and flung them, in alliance with other elements in the population, against a regime which was as repugnant to their inherited beliefs and institutions as it was oppressive and extortionate.

In 1855 the Santhal peasants of lower Bengal formed an army of nearly 100,000 and moved down the plains towards Calcutta. Their intentions were peaceful, but the trickery of the police and the landlords provoked violence, and Government forces were despatched to restore order. "The details of horder warfare, in which disciplined troops mow down half-armed peasants, are unpleasant. . . . After a lapse of thirteen years, the officers who reduced the Santhals can hardly be brought to dwell minutely on the operation." [135]

Again, in 1875, when the full effect of the new land system was felt in the Deccan and a considerable portion of the peasants were reduced to virtual serfdom, widespread riots broke out, directed mainly against the money-lenders. There was a little violence and arson, but the main object of the rising was to obtain and destroy the title-deeds of the peasant's slavery—bonds, decrees, accounts, etc.

Even as late as 1921, a rising of this type, only more violent in character, took place in south India. These revolts were all of no lasting importance. They were explosions which released the pent-up suffering of the peasants and gave them momentary assuagement, but they did not harness peasant energy to any steady or creative purpose.

## 2. *Nationalism Draws in the Peasantry*

The position, however, changed as, with the development of nationalism, the political movement of the middle classes began slowly to penetrate the peasant mass. Influenced by the aims and methods of the Irish Land League, Tilak, the "extremist" leader, organised a no-tax campaign amongst the Deccan peasantry in 1896. Towards the end of the war of 1914-18, acute agrarian grievances developed in one or two districts, and Gandhi—returned not long since from South Africa, where his courageous struggle on behalf of the Indian settlers had gained him a world reputation—advised the peasants to adopt passive resistance to defend their interests.

Meanwhile the Amritsar massacre filled the country with horror and excitement. The Congress loomed larger and larger in the public mind. What it discussed and what it decided became matters of general concern. At its Delhi session (1918) there were a thousand peasant delegates; the next year, at Amritsar, a thousand and five hundred. When in 1920 the Congress abandoned constitutionalism and took to direct action, Gandhi's first move was to tour the villages in order to summon the peasants to join in the national struggle.

"They listened with rapt attention; they believed with simple, quiet faith; new hopes filled their souls; the reference to a coming reign of universal righteousness, justice and happiness made them look forward to the day when the satanic British government would meet the fate it so richly deserved and an end would be put to the growing miseries of the toiling masses, ground down by heavy taxation, wallowing in ignorance and servitude, and harassed by wicked officials." [136]

When non-co-operation was discontinued, the bond between the Congress and the villages was only strengthened. The campaign against untouchability, the propagation of hand-spinning, and voluntary efforts at village reconstruction, multiplied the links between them. Gandhi, Nehru, Vallabhai Patel, Khan Abdul Ghaffar Khan, to mention but the most eminent, when they were not in jail, went

out amongst the peasantry and aroused their political consciousness. Millions began to look to them for leadership.

More and more the Congress was striking its roots deep down into the social soil of India. A broad current of unrest, filled with hope and enthusiasm, was released in the countryside. Thousands of students and other middle-class nationalists were constantly at work, imbuing the movement with vigour and discipline. All this labour bore fruit in the civil disobedience campaign which started in 1930.

In a number of districts in every province—particularly in Gujerat and Bihar and the United Provinces and the North-Western Frontier Province—the peasants took part in it and gave it striking power. The intensification of agrarian distress owing to the economic crisis added force to the upheaval. Rents and taxes were withheld, and with a scrupulous regard for the principle of non-violence the peasants also carried out the other items in the Congress programme of boycott and disobedience of law.

The Government sought to coerce them back into their former submissiveness. Their fields were confiscated; they were forbidden to reap the crops they had sown; their houses, cattle and implements were seized; and to crown all, there was much looting and indiscriminate brutality and terrorism practised by the unholy triple alliance—police, landlords and revenue officials. The peasants withstood the assault with courage and fortitude.

### 3. *The Peasant Leagues*

All along agricultural prices were steadily falling and the peasant, with his income cut in half, found the exactions of the State and the landlord and the money-lender more oppressive and intolerable than ever. So, even after civil disobedience on a national scale broke down and the Congress was temporarily put out of action, peasant discontents continued to manifest themselves sporadically in the form of rent strikes, etc., and forced to the foreground a problem that had always been implicit in the Indian situation.

Briefly, it was this: The most extensive and complete support of the peasant masses was essential if the country

was to shake off imperialist domination. On the other hand, abstract political arguments about independence and foreign exploitation meant little to the peasant. He had to be shown how they were relevant to his immediate urgencies, to his growing antagonism to money-lender and landlord, to his hunger and nakedness: if he was to be led, he could only be led towards an end that lay within his comprehension.

Such leadership the Congress, as an organisation including privileged groups in Indian society, hence also money-lenders and landlords, was in no position to give either wholeheartedly or consistently or in every district. Some of those who were most closely in contact with the peasants and shared directly in their struggles decided, therefore, in 1936, that the time had come to mobilise the peasants in an organisation concerned primarily with peasant problems and with national problems as they affected the peasantry.

The All-India Kisan Sabha (peasant league) was thus brought into being. It is a federation of numerous local and provincial leagues; and at its last annual session in April 1939 there were elected delegates representing a total paying membership of over 750,000.

The objectives of the peasant leagues, which have made phenomenal progress within the last five years, are both political and economic. Their ultimate aim is nothing less than a total transformation of the revenue and land systems of India. They demand the abolition of landlordism and the cancellation of peasant debts, and strive for the reorganisation of agrarian relations on such a basis that exploitation in every form would be eliminated and ownership would be vested in the cultivator himself.

But, since such a fundamental and revolutionary change cannot be accomplished within the framework of imperialism, they demand also national freedom and a democratic system of government. In this they are at one with the Congress, and hold that the anti-imperialist movement in the country would be powerfully reinforced through the development of a strong and independent peasant organisation.

Their policy aims at securing to the peasant the utmost benefit that could be had out of existing legal and

constitutional provisions by (a) seeing to it that his ignorance and lack of organisation do not continue to be exploited by landlords, money-lenders and revenue officials; and (b) by working out proposals with regard to a moratorium on debts, for example, or for a reform of tenancy laws, or for a more equitable distribution of the incidence of the land revenue, and pressing for their adoption by the Government.

Some of the methods by which a policy of this kind can be implemented have been pointed out by Professor Ranga, the peasant leader. Provincial finances, for instance, would be disorganised if the peasants were to take advantage of their legal right to delay the payment of land revenue for at least two months. The majority of the tanks in rural areas are so dilapidated and the peasants' right to demand improvement so little exercised that they can flood the courts and the administration with their petitions for repairs.

Similarly, a forest-privileges campaign directed against officials who receive bribes, harass the peasants and destroy or alienate forest produce cannot easily be suppressed by the Government; it would find it cheaper to grant the concessions demanded. The irrigation and police departments depend so much on the peasants' co-operation that, were it withheld on a large scale, the administration would find itself in serious trouble. "We can go on devising such popular campaigns through which to mobilise the small individual sacrifices and sufferings of the peasants as a whole and generate enough strength to compel the government of the day to yield to our demands." [137]

An extensive adoption of these methods presupposes a high degree of organisation, and to create that has been the main task of the peasant leagues. They have not in every case supplied the initiative—for peasant discontents have a way of breaking out spontaneously—but everywhere they provide the leadership and guidance that are indispensable. They hold numerous peasant conferences to thresh out local problems, set up schools to train peasant workers and, above all, united in their local *kisan sabhas*, the peasants



have begun in different areas to wage a disciplined struggle—to retain possession of their land or to obtain a reduction of rent and revenue and debt charges, or for the abolition of forced labour and illegal exactions of various kinds.

The methods employed in these partial, day-to-day struggles are all non-violent—meetings, demonstrations, marches, rent strikes and, in the last resort, *satyagraha*, or passive resistance. Their effect is not only to break down the peasants' isolation and promote active co-operation among them for the redress of grievances, but also to heighten their political consciousness and draw them, in ever-increasing numbers, into the wider struggle against imperialism.

"In Bihar, where the struggles on behalf of the *kisan sabhas* are ceaselessly going on, you will find even the cowherds and shepherds crying the slogans of '*inquilab zindabad*' [Long live revolution!] and '*angrezi raj nash ho*' [Down with British Imperialism!], etc., and greeting you with these if they see simply a tricolour [the Congress flag] or a red flag with you. These have become the usual and common slogans of the children in the villages of Bihar and their streets are always ringing with these cries." [138]

#### 4. *The Struggle for Land*

The nature of these struggles cannot perhaps be better illustrated than by citing a few typical incidents. [139] In 1938 the peasants in some of the villages around Allahabad drew up a list of their demands and grievances and made it the basis of an organisational drive among the villagers. The oppressions of the landlords were catalogued; the scandal of revenue records with false entries in them was exposed; and the peasants' right to the fruit trees on their land was asserted.

A petition to the authorities brought no relief. The peasants thereupon withheld every form of forced labour. The landlords retaliated by trying to break up their unity, and intimidating them by a display of guns and *lathis*. Organised assaults on leading peasants took place. When the first rains came, the peasants went to their fields to

begin cultivation. An array of firearms and *lathis* barred their way. They remained peaceful, but marched in a demonstration in front of the district collector's office. Subsequently an inquiry was held, and their demands were granted.

Early in 1939, the Lahore district peasant committee organised a huge peasant march to the provincial Assembly to protest against an increase in land revenue. On their way the district magistrate met them with an order prohibiting the demonstration and banning the march of any peasant procession to the Assembly chamber for one month. When negotiations for sending a deputation to the chief Minister failed, the peasants decided to defy the ban, and began to march forward in batches of five. The police charged them with *lathis*. The struggle was at its height when a heavy downpour dispersed the onlookers. The peasants, however, held their ground and offered themselves willingly for imprisonment. The ban was defied every day thereafter. Altogether 300 peasants were beaten and arrested; they refused to be bailed out.

The landlord of Kalipatnam, in Godavery district, induced the villagers some years ago to petition the Government for reclamation of some waste lands in which they had for generations exercised fishing rights. The agreement was that the villagers should then cultivate the land as tenants, and give up their fishing rights. However, when the lands were reclaimed, the landlord decided to sell them—at a big profit to himself. The peasants refused to yield possession. Civil suits were filed against them and a police order was issued to prevent them from setting foot on the lands in dispute.

Guarded by fifty armed policemen, the landlord's agents were one day measuring the land, preparatory to selling it, when the peasants began to offer passive resistance. The police arrested thirty-two of them. Next day a crowd of peasants, men and women, was charged with *lathis*. About a hundred persons in all were arrested. Passive resistance was suspended only when the peasant committee entered into negotiations with the Government for a settlement.

Owing to the crisis the peasants in many parts of Bihar found themselves unable to pay their rents, which were heavy enough before. They lost their tenant rights, or were evicted or sought to be evicted from the land their ancestors had tilled for generations. The landlords, who had seldom given rent receipts, took advantage of the general confusion to increase their insecurity.

Such is the background of a bitter struggle that has been dragging on for many months. One day, in January 1939, the district collector, accompanied by half a dozen high officials and a *posse* of armed police, visited one of the villages and arrested a number of peasants. Some ploughs, pickaxes and other implements were also seized. At this, singing and beating drums, the other villagers marched in a body behind the collector's party.

When the police attempted to seize more implements the peasants refused to part with them. The collector next turned his attention to some wells that stood on the peasants' lands, and apparently wished to chase away a woman who was fetching water from one of them. She immediately ran back to the village and gave the alarm. Presently all the women in the village, young and old, flocked to the wells, shouting peasant slogans, and started drawing water.

Discomfited, the collector beat a retreat, and after he had gone a meeting of 2,000 peasants was addressed by the peasant leaders. About the same time all the peasants in the village were ordered to appear in court to answer various criminal charges. But not one of them went. (The struggle in Bihar and the United Provinces in particular is notable for the violence and hooliganism with which the landlords have been trying to suppress it.)

There is no considerable region in India to-day where the struggle for the land, a struggle against oppression and exploitation, is not being waged in these forms by an awakened peasantry. What is more, it is waged not as before, under the leadership of the nationalist movement, but through an independent peasant organisation, pursuing its own independent class aims.

## CHAPTER XXVIII

### THE UNITED FRONT AGAINST IMPERIALISM

#### 1. *Socialism and the Masses*

THE most significant feature of India in 1937, 1938 and the greater part of 1939 was the rapid development of the forces of the common people—of workers and peasants. It was only to be expected, perhaps, that the workers in the older capitalist concerns, like the textile mills and the railways, with their relatively long record of struggle and organisation, should show greater militancy than ever. What was to be witnessed was something more than this—the extension of the awakening into every reach of the economic and social structure.

Even workers in the “unorganised” industries, i.e. those who have not the opportunities that arise through collective employment in a factory—domestic servants and day labourers, porters and boatmen, fibre and salt-field workers and many others in small workshops and miscellaneous industries—were learning to combine in defence of their interests. And ceaselessly, from district to district, the peasant awakening spread, washing away the peasants’ servility and superstition and emboldening them to challenge the money-lenders and the landlords and the State.

The effect of these struggles was to be measured not so much in terms of the immediate economic benefits gained as in terms of the unity they evoked in the masses. They tended to obliterate religious and communal differences, and foster in Hindus, untouchables and Moslems alike the realisation that their interests, as workers and peasants, were identical. In the rural districts not only were the tenants and small proprietors being united, but the peasant leagues were drawing in the lower strata of the agrarian proletariat as well—the serfs and casual labourers of every kind. At the same time the political consciousness of the

masses and their mental horizons were being broadened, while the impact of their struggle gave a new stimulus to artisans, students and other sections of the petty bourgeoisie.

These partial local conflicts for limited ends, between an individual owner or group of owners and a limited number of peasants or workers, were co-ordinated and to no small extent controlled by the two great class organisations, the Trade Union Congress and the All-India Kisan Sabha (Peasant League). These were distinct from each other, of course, and had each its special problems, but permeating them and very largely influencing their leadership and their policies were the socialist parties, whose emergence was the decisive proof that India had entered a totally new phase, a phase in which she consciously fought imperialism in order to supersede it with an international democratic and socialist order.

The Congress Socialist Party and the Communist Party are the two major socialist groups in the country. The former was founded in 1934 by a number of younger men and women in the Congress who had taken part in the civil disobedience campaign and, following its defeat, realised that it was necessary to strengthen the anti-imperialist front by giving the Congress a new orientation designed to show the masses that the overthrow of imperialism was necessary not only to "free India" but to free them from exploitation and raise their standard of living.

The Communist Party, started in 1927, has been illegal since 1929. Far more violently and systematically than any other political group in India, it has been persecuted and repressed. It is stronger than ever. (In the Congress Provinces it enjoyed a measure of freedom it had not had before, and still exercises an influence on the younger generation out of proportion to its numbers.)

The growth of the socialist forces is rooted in the economic conditions of the country. They are so shot through with contradictions, and so desperate, that India cannot be rescued from them save through the application of socialist methods and policies. The central fallacy of

liberal or orthodox thought, in this context, lies in supposing that India's backwardness is "normal," i.e. analogous to that of western countries before or in the early years of the era of industrialism. [140] All that is required, on this view, is the preservation of order, the removal of international trade barriers and a little encouragement now and then from the State; capitalist enterprise would then spring forward and transform India as it transformed, say, England or France or Germany.

The argument overlooks the fact that India did not stand aloof while these countries, and particularly Britain, were advancing, but contributed to their progress by submitting to an alteration of her own economic structure to suit their needs. Economic progress, in the sense of capitalist development, has historically come about not only through the exploitation of the working class at home, but through the exploitation of colonial countries. It would be fantastic to suggest that Indian capitalism has or is likely to have a similar opportunity of exploiting any backward country. Moreover, a century of imperialist rule has created an agrarian situation which, on the one hand, is breeding a revolt that threatens to shatter imperialism and which, on the other hand, it is impossible to reorganise save by stimulating industrial development at a speed and on a scale incompatible with the anarchy and wastefulness of capitalism. If India is a backward country, her backwardness has all the hallmarks of the imperialist era.

## *2. Congress in Office*

That is the rationale of Indian socialism. But socialism and working-class and peasant movements are intimately bound up with the Congress and the struggle for national liberation. It was the Congress which, under Gandhi's leadership, aroused the political consciousness of the masses. The process, begun in 1920, continued in various forms through the 'twenties and attained sweep and intensity again during the civil disobedience campaigns of 1930-3. When, a year or two later, the Congress recovered and was able to function freely and legally, it was a totally

different organisation from what it had been twenty years before. Its basis had been laid in the masses; it had passed through three severe ordeals and tested out its technique of non-violent resistance; and it had built up a network of committees and local leaders and special cadres working in and for the organisation from day to day. It had, in short, become a powerful and well-knit mass movement.

Because it was a mass movement, questions affecting the welfare of the masses received increasing attention. Already in 1931, at the height of the world crisis, an economic programme had been adopted "to enable the masses to appreciate what 'swaraj' as conceived by the Congress would mean." In 1936, at Lucknow, the Congress declared that "the most important and urgent problem of the country is the appalling poverty, unemployment and indebtedness of the peasantry, fundamentally due to the antiquated and repressive land tenure and revenue systems. . . ."

At Faizpur, in 1937, it adopted a scheme of agrarian reform which included, among other items: rent and revenue reductions; the exemption of uneconomic holdings from rent and land-tax; reduction of canal and other irrigation dues; abolition of illegal exactions and forced labour; fixity of tenure with heritable rights; a debt moratorium; a living wage for agricultural labourers; taxation of agricultural incomes above a certain level; and the recognition of the peasant leagues. Again, the manifesto issued the same year, prior to the elections which gave the Congress an overwhelming victory in most of the provinces, made it clear that the Congress was concerned not only with the struggle for national freedom but also with the immediate improvement of the condition of the people.

The whole of this new orientation, towards radical economic reform and mass unity against imperialism, found its chief exponent in Nehru, who attained a popularity next only to that of Gandhi. Under his leadership and inspired by his example many Congress men and women went out into the villages—particularly in the provinces where agrarian distress was acute—and helped to build up the

peasant leagues. Congress membership, which stood at 600,000 in 1936, rose to 3 millions in 1937, 4 millions in 1938 and 6 millions in 1939. And the election campaign, followed by the Congress acceptance of office, "released mass energy and both the kisans and the workers woke up and began to play an aggressive rôle." [141]

But the solidarity and enthusiasm which had characterised the anti-imperialism forces during the pre-1937 period slowly gave way to dissension in the months following the Congress acceptance of office. The Ministries began spectacularly by releasing political prisoners and restoring a measure of civil liberty; labour and agrarian reforms were promoted; the workers in Bombay and the United Provinces received wage increases; and a drive for mass education was launched in Bihar and elsewhere. These measures, however, fell in some cases considerably short of pre-election promises.

Besides, in some provinces the Ministries showed excessive deference to vested interests. The Bihar cabinet entered into a pact with the landlords which alienated peasant support and brought Congress into conflict with the peasant leagues; and in Bombay a Trades Disputes Bill was promoted which amounted to an infringement of the right to strike (explicitly conceded by the Congress) and was denounced by the entire labour movement headed by the Trades Union Congress.

At the same time there was an increasing rift in the Congress organisation. It was a mass movement, but now that the Congress was not actively engaged in a struggle, its committees tended to lose their function. Contact between the rank and file and the leadership weakened, and the emphasis shifted from the Congress committees to the Congress ministries and the Congress parliamentary organisation. The more radical members of the rank and file were drawn into the extra-parliamentary mass struggle, but these activities were frowned upon by the Congress governments, which tended to resort to the same methods of dealing with them as had been used formerly: meetings were prohibited, processions banned, security proceedings launched, police



paraded towns with *lathis*, punitive police were quartered in the villages, strikers were fired on, etc.

### 3. *The Rising in the States*

The States' people's movement, embracing a quarter of the Indian population and a third of the land, had until recent years remained isolated from the mass movements which were sweeping the rest of the country. During the non-co-operation and civil disobedience campaigns there was in general no parallel action in the States, no mass defiance of prohibitory orders, *hartals* and political strikes. Early in the 'thirties there had been peasant risings in Kashmir and Alwar, but they were neither well-organised nor had they a clear political objective. However, the mass spirit released by the election campaign of 1937, as well as the surging tide of confidence that was felt all over the country when the Congress took office, and the developing peasant struggles in the provinces, all had their effect on the States, and one by one their peoples joined in the revolt.

The movement may be said to have started in Mysore early in 1938, and in the course of that year and the next, State after State, from one end of the country to the other, was in the throcs of struggle with its rulers or actively preparing for it. And it was a definitely political struggle with political objectives: responsible government and democratic liberties and the abolition of forced labour and other feudal forms of exploitation.

Mass organisations grew up—a genuine people's movement embracing merchants, professional classes, students, peasants and workers, only the big landlords and higher-paid officials standing aloof. The ties between the Congress and these organisations increased. General support was given by the people in the provinces, and solidarity demonstrations were held everywhere. Attempts were made to crush the movement: there were mass shootings, brutal *lathi* charges, indiscriminate assaults on women and children (Dhenkanal, Travancore, Mysore, Kashmir), etc.; and British intervention in support of the princes became more open.

Although the struggle drew in many Congressmen, and unity between the people in the provinces and the States was being daily forged, the official policy of the Congress remained ambiguous and hesitant. There was, in fact, no clarity among Congress leaders as to the future they contemplated for the States. The resolution on the subject passed in 1938 (Haripura) declared that the Congress stood "for the same political and social and economic freedom in the States as in the rest of India and considers the States as an integral part of India," but debarred Congress committees in the States from taking part in the political struggle. Critics of the resolution complained that it was inspired by the belief that non-intervention by Congress would mean non-intervention by imperialism, and that through friendly pressure on the princes Congress would be able to secure the redress of the States' people's grievances.

#### 4. *Prelude to Crisis*

In this situation, with mass activity developing on an unprecedented scale, and notwithstanding that individual Congressman and local Congress committees often figured prominently in it, Congress as such had no clear-cut or unifying policy. The Ministries were sinking into complacency, discouraging mass action, unwilling to fight vested interests and striving to placate and avoid conflict with the bureaucracy. No one has criticised them more severely than Nehru himself. "They are trying," he said in a letter to Gandhi, [142] "to adapt themselves far too much to the old order and trying to justify it. . . . What is far worse, we are losing the high position that we have built up, with so much labour, in the hearts of the people. We are sinking to the level of ordinary politicians."

The election manifesto had declared that "the purpose of sending Congressmen to the legislatures under the new Act is not to co-operate in any way with the Act, but to combat it and seek to end it. It is to carry out, in so far as is possible, the Congress policy of rejecting the Act, and to resist British imperialism . . . activity in the legislatures should

be such as to help in the work outside in the strengthening of the people and in the development of the sanctions which are essential to freedom." The line actually followed, however, corresponded less closely with this statement than with another by Gandhi to the effect that office acceptance was "a serious attempt on the one hand to avoid bloody revolution and on the other hand to avoid mass civil disobedience on a scale hitherto unattempted." [143]

Those least disturbed by this policy were naturally those who were mainly responsible for it—the Right-wing leaders who dominated the Congress executive. They were men who had helped to build up the Congress to its present formidable strength; they had taken a leading part in the non-co-operation and civil disobedience campaigns; they had worked among the masses, they had a very considerable following in their respective provinces, and some of them, like Mr. V. J. Patel, exercised a powerful control over the party machine and the complicated apparatus of committees that the Congress had brought into being.

The predominant characteristic of this leadership was that it was "Gandhist." They all enjoyed Gandhi's confidence and were presumed to be acting in the spirit of his teachings. [144] They believed in the virtue of truth and the wickedness of violence. More important, however, than their ethical professions were their political and social views. With Gandhi they shared a dislike of modern industry and looked forward to the time when the old basis of Indian culture would have been restored, when small-scale production would predominate again, when the handicraftsman would have come into his own again and India would have been converted into a more or less autarchic country consisting of more or less autarchic villages.

Such was the theory. But in practice they cannot be said to have displayed implacable hostility to the Indian capitalist class, either to the industrialists or merchants or money-lenders, or even to the landlords. They were inclined to resent the new developments of militant peasant and working-class organisations striving not merely for national freedom but to shake off the grip of subsidiary vested in-

terests. Socialism, they considered to be alien to Indian culture, and class warfare as an invention of misguided or wicked agitators. There was no need, in their view, for special organisations to represent class economic demands, apart from the Congress, which was big enough to embrace all. In short, Gandhism, in this context and as interpreted in practice, seemed to mean little more than antipathy to the mass awakening that had outgrown the Congress and was finding its own leaders and methods of struggle.

The opposition to this whole line of drift towards constitutionalism was diffused and divided. It existed both inside and outside the Congress. The peasant leagues, gave frequent and sharp expression to it; the trade unions were discontented with the trend of Congress labour policy; and a large section of the Congress rank and file was profoundly alarmed at the general slackening of the struggle and the growth of tendencies towards compromise with imperialism.

The Left elements, the socialists and communists, took the initiative in voicing the opposition and organising it. Their dissatisfaction first showed itself in the form of strong criticism in the All-India Congress Committee [145] of the attitude of the Congress towards the States and in particular towards the repressive Acts that had taken place in Mysore and elsewhere. Then, at another meeting of the Committee, the socialists walked out in protest against a resolution on civil liberties that seemed to substitute "truth and non-violence" for the old catchphrase, "law and order," and instead of stressing the need for enlarging civil liberties discouraged Congressmen from militant mass activity that was likely to embarrass the Ministries. The opposition finally came to a head early in 1939 with the re-election of Subhas Chandra Bose as president of the Congress. His victory over a candidate supported by the Right-wing was a clear demonstration of the widespread dissatisfaction with the policy that had been in the ascendant for over eighteen months. But it at once sharpened the rift; the majority of the old leadership resigned from the executive and the movement was confronted with the danger of a split which

would have disrupted the anti-imperialist front from top to bottom.

### 5. Tripuri

Thirty-three years before, at Surat, Congress had faced its first important internal crisis: over the transition from constitutional to direct action. In 1939, at Tripuri, it was faced with a crisis of incomparably greater magnitude, the problem now being one of preserving and developing, under Congress leadership, the democratic anti-imperialist united front that had grown up within the last few years and comprised all the heterogeneous and rapidly awakening forces of India.

Many ideological and social currents and cross-currents were at play; different brands of socialism, and communism, Gandhism, "Royism," provincialism, etc., etc. But these differences became significant only in so far as they led to differences of approach to the dominant issue of the hour—the struggle against imperialism. There were in effect only two courses open. The first was a continuation of the prevailing policy. It entailed a lapse into reformism; it entailed, moreover, the mutual isolation of the mass forces—of the States' people's movement from the Congress, and of both from the peasant and working-class movements—and a relaxation of the anti-imperialist campaign, or at best a passive attitude with regard to the wider questions concerning federation and the constituent assembly. The second policy required a co-ordination of the mass forces, the creation of direct and effective links between the Congress and the States' people's movement on the one hand and the peasant and working-class organisations on the other; the utilisation of the Ministries for strengthening instead of damping down the mass awakening; and the assumption by Congress of vigorous initiative so as to force the constitutional problem to the front.

But this basic political issue was bound up with and overshadowed, at Tripuri, by the supreme need for restoring the organisational unity of the Congress. Two very different methods were suggested: (1) that unity and co-

hesion could only be secured by insisting on undiluted Gandhism in the Congress, and (2) proposals advocated by the Left Nationalists and the "Royists" which would have resulted in driving out the whole body of Gandhists and, in particular, the Right-wing leadership, and imposing a different sectarian dogma on the Congress. The first line would have made an increasingly wide breach between the Congress and the masses, while the other would have immediately disrupted the organisation.

As for the bulk of the Congress membership, it cannot, writes Nehru, be confined to any specific doctrinal creed. "Broadly speaking, there are two divisions—those who might be called the Gandhi-ites and those who consider themselves Modernists. . . . The so-called Modernists are a motley group: socialists of various kinds and odd individuals who talk vaguely of science and modern progress. . . . These two broad divisions must not be confused with Right and Left. There are Rightists and Leftists in both groups, and there is no doubt that some of our best fighting elements are in the Gandhian group. If the Congress is looked upon from a Right and Left point of view, it might be said that there is a small Rightist fringe, a Left minority, and a huge intermediate group or groups which approximate to Left-centre. Politically, the Congress is overwhelmingly Left; socially it has Leftist leanings but is predominantly centre. In matters affecting the peasantry it is pro-peasant. The Gandhian group would be considered to belong to the intermediate Left-centre group." [146]

Largely through the efforts of the socialists and the communists, and of Nehru, Congress re-emerged as a united body from the Tripuri crisis. But unity was only achieved on terms which consolidated the position of the Right-wing leadership. Congress expressed its confidence in the executive which had resigned, and its loyalty to Gandhi, for Gandhi, as the communists recognised, "is the one person who inspires the greatest confidence in the masses" [147] and as Nehru said, "in any national struggle his inspiration and guidance are essential." [148] The resolution on the States' people's movement ended the policy of non-

intervention laid down a year before and foreshadowed an "ever-increasing identification of the Congress with the States' peoples." [149]

On the central issue of imperialism and the federal constitution, Congress declared afresh "its solemn resolve to achieve independence for the nation." And although no specific plan of action was evolved, Congress paved the way for a nation-wide struggle by calling on "all parts of the Congress organisations as well as the Congress Provincial Governments and the people generally to prepare themselves to this end, to promote unity and in particular to strengthen, purify and discipline the organisation, removing weaknesses and corrupting influences so as to make it an effective organ of the people's will."

#### 6. *The Tension Continues*

Differences, however, broke out again—this time on the question of the composition of the Working Committee. [150] Although Bose accepted the Congress resolution which requested him to appoint his executive "in accordance with" Gandhi's wishes, he met with serious difficulties in carrying out the instruction. He urged a "composite cabinet commanding the confidence of the largest number of Congressmen possible and reflecting the composition of the general body of the Congress." Gandhi, on the other hand, wanted to see a homogeneous body consisting mainly of those who had served on the Working Committee during the last ten years.

Protracted negotiations followed; but they only made it clear that while the Right-wing veterans were willing to sit on the executive and work with Bose, they were not prepared to tolerate his proposals for infusing new blood into the committee. Attempts to reach a compromise solution failed, and Subhas Bose decided to relinquish office. As he could not be persuaded to withdraw his resignation, a new president was elected—in the person of Mr. Rajendra Prasad—and the old Working Committee was reinstated by vote of the All-India Congress Committee. [151]

These events deepened the anxiety of the more militant

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groups in the Congress who felt that the intransigence of the Right-wing leadership concealed not vulgar lust for office but the determination to continue a cautious, if not timid, policy in relation to imperialism. Their apprehensions were further stimulated by some perplexing conduct on the part of the Mahatma. Gandhi had begun a fast unto death in support of the demands of the Rajkot State people; he succeeded thereby in compelling the Viceroy within a few days to offer to submit the whole dispute to arbitration by the Chief Justice of the Federal Court. The fast was then terminated; the award was made; it upheld Gandhi's contentions; yet before long Gandhi was announcing to a bewildered country that the whole thing was a mistake and that the fast was sinful—because, instead of relying on God to change the Rajkot ruler's heart, he had pinned his faith to the Viceroy's coercive power.

This characteristic recantation was the prelude to a series of pronouncements in the course of which Gandhi advised the people of the States to suspend civil disobedience and aim at the moral conversion of their rulers through negotiation. He declared, moreover, (a) that the majority of Congressmen had never wholeheartedly accepted Gandhian principles; (b) that civil disobedience in present conditions would lead to bloodshed; (c) that he had much to learn about the technique of *satyagraha* (resistance in the spirit of love and non-violence); and (d) that he was endeavouring to find a method that would avoid recourse to mass action and achieve the goal of independence through the exertions and sacrifices of a handful of unflinching Gandhites [152]

Meanwhile, efforts were being made to rally the discontented elements in Congress so that, through their unity, a drive could be made to lift the whole movement out of the rut of constitutionalism into which it was being allowed to sink. The most notable of such efforts was perhaps the Forward Bloc, sponsored and led by Subhas Bose. Its objects were: (1) to ensure that the Congress ministries were effectively subordinated to the provincial and All-India Congress Committees; (2) to establish direct and close ties



between the Congress and the working-class, peasant and States' people's organisations; (3) to raise a permanent volunteer corps; and (4) to intensify the national struggle against the Federal Act. On the question of civil disobedience Bose and his supporters held an opinion diametrically opposed to Gandhi's—that the country *was* fit for a non-violent campaign and was only waiting for a lead from Congress.

The Forward Bloc, however, failed to consolidate opposition to the dominant policies in the Congress. Subhas Bose's readiness to envisage a "temporary split" in the movement in order to accelerate political progress was not shared by the extreme Left or the Centre—still less indeed by the Right wing; and when he called upon the public at large to protest against some decisions taken by the All-India Congress Committee with the ostensible purpose of strengthening the discipline and unity of the Congress, the response over the country as a whole was not markedly enthusiastic. [153] The Congress executive regarded Bose's part in this episode as a "deliberate and flagrant breach of discipline" and disqualified him from holding any elective post in the Congress for a period of three years.

The condition of India on the eve of the present war cannot be more accurately described than in Gandhi's own words. "India," he said, "is facing an impossible situation. There must be either effective non-violent action or violence and ever-growing anarchy within a measurable distance of time." [154] Only, Gandhi himself, and possibly some of his most trusted lieutenants who were at the head of the Congress organisation, believed that "the Congress has ceased to be an effective vehicle for launching nation-wide *satyagraha*." [155] In these circumstances, with Gandhi in a dilemma and, waiting, as he frankly admitted, for a "new light" to dawn on him, the masses of the people in the provinces as well as in the States—workers, peasants and the middle classes—were straining impatiently at the apparent moderation and hesitancy of those whom they continued loyally to acknowledge as their leaders.

## CHAPTER XXIX

### INDIA AND THE WAR

SINCE the outbreak of war, India and Britain have been driven farther apart than ever.

It would be impossible here, nor is it necessary, to trace the course of events during the last eight months. The essential fact is that there has been a hardening of Indian hostility to imperialism and imperialist war—a hostility, it should be added, which implies no sympathy whatever with Fascism.

The logic of the position, as viewed from India, was explained by Maulana Abul Kalam Azad, an eminent and highly respected Moslem scholar, who presided over the last session of the Congress (Ramgarh, March 1940). "While we were considering the dangers arising from Fascism and Nazism," he said,

"it was impossible for us to forget the older danger, which has been proved to be infinitely more fatal to the peace and freedom of nations than these new dangers, and which has in fact supplied the basis for this reaction. I refer to British imperialism. We are not distant spectators of this imperialism, as we are of the new reactionary movements. It has taken possession of our homes and dominates over us. It was for that reason that we stated in clear terms that if new entanglements in Europe brought about war, India, which has been debarred from exercising her will and making free decisions, will not take any part in it. She could only consider this question when she had acquired the right of coming to decisions according to her own free will and choice. . . . If India remained deprived of her natural right to freedom, this would clearly mean that British imperialism continued to flourish with all its traditional characteristics, and under such conditions India would on no account be prepared to lend a helping hand for the triumph of British imperialism."

The positive demand made in the name of India to-day is contained in the main resolution passed at the Ramgarh session of the Congress. After declaring that "Congressmen and those under the Congress influence cannot help in the prosecution of the war with men, money or material,"

it goes on to affirm that "nothing short of complete independence can be accepted by the people of India. . . . The people of India alone can properly shape their own constitution and determine their relations to other countries of the world, through a Constituent Assembly elected on the basis of adult suffrage."

In the meantime, the Federal Constitution has been put in cold storage; the "Congress Ministries" have resigned; and, alternative Governments with the requisite majorities not being available, the provincial Governors have assumed power to rule by proclamation, with the result that over the greater part of India even such democratic forms as had obtained between 1937 and 1939 have ceased to exist. The Defence of India Ordinance, promulgated on September 3, 1939, gives the authorities power, among other things, to arrest any person without a warrant, to "take cognisance of offences without the accused being committed to it [a special tribunal] for trial," and "for trying of any offence whether committed before or after the commencement of the Ordinance."

On the other hand, unrest among the peasants and workers is mounting sharply. Political strikes have taken place—one anti-war strike in Bombay involved over 90,000 workers—and strikes for wage increases necessitated by rising prices. The police have opened fire on strikers in Calcutta and elsewhere, and over the country as a whole many Congressmen, trade unionists and peasant leaders have been arrested, including Jayaprakash Narain, a friend of Gandhi and one of the foremost socialists in India. Congress itself is actively preparing to launch civil disobedience on a nation-wide scale.

Such are the opening skirmishes in a conflict that may be raging in its full intensity within a few weeks. We can hardly doubt that the effort to repress by violence the energies of a resolute and numerous people will, as in the past, end in failure.

There remains one possible device by which imperialism may seek to safeguard its ascendancy, at least for a time—the partition of India. Various schemes are already being

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mooted for dividing India into "zones," for forming a bloc of "Moslem provinces" and in similar ways breaking up the unity of the country.

There are serious difficulties, demographic and social, in giving effect to proposals of this kind, even if they were decided upon. But how, it may be asked, could they be contemplated at all if India were united against imperialism?

The answer is: Because there is a method of political agitation—practised not unsuccessfully by the Nazis even in such a highly educated country as Germany—which consists in mobilising mass support for one programme and then utilising it for an entirely different purpose. This trick has been adopted by the leaders of some communal organisations—most significantly, of the Muslim League. They promise in their speeches to emancipate their people from both British imperialism and "Hindu capitalism," and the promises naturally appeal to a public that is both backward, illiterate, oppressed and religion-ridden; but they never propose mass action against imperialism or countenance any attempt on the part of Moslems subject to their influence to combine with Hindu and other peasants and workers against Hindu capitalists or Moslem money-lenders: their energy is consumed, on the one hand in intrigues with imperialism and on the other in fierce attacks on Congress and the conception of a free and united India. In this manner something like a counter-revolutionary mass movement at the service of imperialism is being built up.

It is not merely sentimental attachment to the unity of India that forbids one to welcome a "solution" on these lines. Of what avail would the partition of India be to the people of that continent, whether Hindu or Moslem? The political and military power of imperialism would be consolidated, since a "balkanised" India would obviously be even less able than the India of to-day to resist the permanent and continuing aggression that imperialism connotes. And, economically, the burden on the people would be aggravated, their exploitation intensified and in-

superable obstacles raised against the necessary agrarian and industrial changes.

These are grave issues. A study of India *must* raise grave issues—not only for India, not only for Asia—if our minds are open and unswayed by the conventional clap-trap. The benefits of British rule, the ever-so-free and ever-so-loyal princes, the dumb peasant mass which may be starving but is devoted to the British raj, the extremist politician bent on mischief, the murderous religions that perpetually incite to riot and rapine—how shoddy these notions are, how smooth and delusive, how unworthy to serve as the intellectual counters of a fearless and forward-looking people!

What is maturing to-day in India cannot be understood in the unreal, comfortable and soporific language that we habitually apply for this purpose; it is in its way as portentous as the changes that have been churning up China during the last two decades. It acquires, perhaps, a deeper shade of significance, a more direct and vital relevance to Britain as well as to our twentieth-century world because it is working up under the integument of the British Empire.

However it should develop, there can be no doubt that an epoch in the history both of India and of Britain is drawing to a close.

## NOTES AND REFERENCES

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| 12   | 1   | The word 'Veda' is the collective designation of the ancient sacred literature of India, and of individual books, belonging to that literature"— <i>Encyclop of Religion and Ethics</i> , VIII, p 107  |
| 13   | 2   | F B Havell, <i>A Short History of India</i> , p 70.  |
| 14   | 3   | 'The Sanskrit treatises on dialogues known as <i>upani-shads</i> are the expression of the philosophical speculation of Indian sages and teachers during many centuries. Substantially the earliest <i>upani-shads</i> antedate the rise and extension of Buddhism in the fifth century and following centuries"— <i>Encyclop of Religion and Ethics</i> , XII, p 540  |
| 15   | 4   | V A Smith, <i>The Oxford Student's History of India</i> , p 98.  |
| 16   | 5   | Havell, <i>op cit</i> p 135  |
| 19   | 6   | See Radhakumud Mookerji, <i>The Fundamental Unity of India</i> and Sukumar Dutt, <i>The Problem of Indian Nationality</i> (University of Calcutta, 1926)   |
| 24   | 7   | Leonud M Schiff, <i>The Present Condition of India</i> , p 170 (1919)  |
| 24   | 8   | A B Latthe, <i>The Problem of Indian States</i> , p. 158 (Pooni, 1930)   |
| 25   | 9   | Cf 'It was his firm belief that independent Native States under a good and friendly administration, were a source of strength and not of weakness. They were a source of strength because, in the first place, they furnished a sort of safety-valve for the exuberant native energy which could not find employment under our rule, and which, while unemployed, fermented and was a source of danger to us. They were valuable also as a breakwater to disaffection and mutiny, it had been said that the existence of the Native States of Hyderabad and Gwalior had really been the means of saving Madras and Bombay in the Mutiny of 1857. And Lord Canning had left it on record that but for the loyal Native States in the North-West the tide of the Mutiny would have swept in one wide wave over the country, from the borders of Bengal to the Indus. It was mainly owing, indeed, to the fidelity of these Native States that we were able to make head, and ultimately to suppress the rebellion. They should bear these things in mind; learning from experience of the past how to act in the future"—Sir Henry Rawlinson, in the House of Commons, February 22, 1867 |
| 25   | 10  | "Even in Northern India, the Mahommedan population is by no means wholly of foreign origin. Of the 12 million followers of Islam in the Punjab, 10 millions of them were originally Hindus. The number who described themselves as belonging to foreign races . . .  |

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- 2 millions and some even of these have very little foreign blood in their veins'—Census Report 1911, p 128.
- 26 11 See Schiff, *op cit*, p 166
- 27 12 *Ibid* Further references on this whole subject may be found in *The Problem of Minorities* by K. B. Krishna (1939)
- 27 13 I. W. Thomas, *The Mutual Influence of Muhammadans and Hindus*, p 106 (1892)
- 30 14 Resolution on Minority Rights passed at the Hariputra Congress, 1938
- 31 15 Schiff, *op cit*, p 174
- 34 16 *Social Service in India*, An Introduction to some social and economic problems of the Indian people, p 79 (H. M. Stationery Office, 1938)
- 34 17 *Ibid*, p 125
- 35 18 N. Gangulec, *Health and Nutrition in India*, p 26 (1939).
- 35 19 The area irrigated is at present about 50 million acres. 27 million acres by canals, 7 millions by tanks, 11 millions by wells and 6 millions by other sources. Three-fifths of this area (i.e. about 31 million acres or 13 per cent of the entire cropped area of the country) is irrigated by canals, tanks, etc., owned by the State (but not necessarily built by the British). Elsewhere the irrigation works are generally the property of private owners.
- 36 20 For example, there are two tanks in the Chingleput district of Madras Presidency which are more than 1,100 years old. Of the large irrigation works carried out in pre-British times, perhaps the oldest and most famous is the Grand Anicut across the Cauvery which dates back to the thirteenth century. Even before the improvements effected during the last century, it irrigated over 600,000 acres. In the north, the Western Jumna Canal is attributed to Iltutmish Shah (fourteenth century) and the Eastern Jumna Canal was started by Shah Jahan in the seventeenth century.
- 36 21 'Amateur enthusiasts have often dwelt on the antiquity of the Indian plough and its inability to scratch anything deeper than the surface layer of the soil. The experienced agricultural officer knows that the ryot has good reason for sticking to the old type, though he may not be able to expound them, and that where he is content to stir up the surface it is because if he goes deeper he may expose elements injurious to the growth of his crop.—Sri I. V. Jayaraghavacharya, of the Imperial Council of Agricultural Research, in the *Financial Times*, India Supplement, August 9, 1937.
- 37 22 In the United Provinces, Bihar and Bengal, where the proportion of undersized holdings is rapidly increasing, the "double-cropped" area has in large areas been reduced, as the tiny holding cannot bear the burden of successive croppings. Fragmentation of holdings compels the cultivator to give up the time-honoured practice of fallowing, which helps towards the natural restoration of soil fertility by nitrogen fixation. It is clear that if the adoption of intensive farming be jeopardised in the zones of human

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- concentration in India by the fragmentation of holdings and their pepper-pot distribution, the energies of the Agricultural Departments in experimental work, propaganda and introduction of better seeds and better fertilisers, and in fact the greatest hope of alleviating pressure on the soil, will be frustrated"—R. Mulcajee, *Food Planning for Four Hundred Millions*, p. 193 (1938)
- 38 23 "In general the *amwani* and invariably, the 'soil-unit' method of rent-fixation (to cite two out of many) are entirely beyond the ryot's comprehension. It is certain that in future he will not submit to any land-tax assessment, the limits of which, for all we know, depend on the arbitrary whim of a local officer"—*Social Service*, p. 106.
- 38 24 See Z. A. Ahmad *Public Revenue and Expenditure in India*, Congress Political and Economic Studies No. 8 (Allahabad, 1938)
- 40 25 S. N. A. Irfani, *History and Status of Landlords and Tenants in the United Provinces*, pp. 131-2
- 40 26 M. L. Darling, Cited in Ahmad, *The Agrarian Problem*, p. 38 (for full reference see below)
- 41 27 *Social Service*, p. 108
- 41 28 Report of the United Provinces Banking Enquiry Committee.
- 41 29 *Social Service* p. 110 "Once the storm has blown over, the *lame* recovers his losses in cash and self-respect by doubling or tripling his normal rates of interest, and the last state of his affairs may be worse than the first. That, at all events, was the result of 'conciliation' in a district known to the writer"—*Loc cit*
- 42 30 Z. A. Ahmad, *The Agrarian Problem in India*, p. 19 (Congress Economic and Political Studies, No. 1, Allahabad 1936) "In some parts of India, field labourers known as *halis* in Gujerat and *Dhurnas* in Bihar are no better than slaves. *Hals* are agricultural labourers who do not work for wages at their own convenience but are maintained hereditarily as permanent estate servants by the larger landlords who provide them also with home and food. They cannot resign and seek occupation elsewhere. There is virtually no difference between the position of these *hals* and the slave of the American plantation prior to the Civil War except that the courts would not recognise the right of the masters as absolute over the persons and services of these people. They are free *de jure* but slaves *de facto*"—*A Study of the Rural Economy of Gujerat*, by J. M. Mehta, p. 125. Cf. "Under the *kamauti* system in parts of Bihar and *uth* and *khanbari* systems in the north of Mad. is (to mention two examples of practices which we understand are not confined to these localities), the labourer borrows money from a landlord under a contract to work until the debt is repaid. The debt tends to increase rather than to diminish and the man and sometimes his wife is bound for life. Sons are even sold and married. Such systems have now no legal sanction, and



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- special legislation has been adopted in the endeavour to eradicate the abuse, but it continues to exist"—Whitley Report, p 362
- 43 31 *Social Service*, p. 132
- 43 32 *Ibid*, p 36-7
- 43 33 Cf "It is common in India for the merchant to agree to buy the product of the worker under condition that the product can be sold to no one else. This is enforced by a species of debt slavery whereby the price is subtracted from the amount of a loan which the capitalist has made in advance to the worker. With this loan the worker may provide his tools and raw materials, even his housing, as well as his living expenses during the manufacturing process"—D N Buchanan, *The Development of Capitalist Enterprise in India*, p 110
- 45 34 B Shiva Rao, *The Industrial Worker in India*, pp 229-30 (1939)
- 46 35 *Ibid*, p 231
- 47 36 *Ibid*, p 90
- 47 37 *Ibid*, p 91
- 47 38 *Ibid*, p 212
- 48 39 *Ibid*, p 219
- 48 40 Indian Coal Conservancy Commission Report, 1937
- 50 41 Buchanan, *op cit*, p 342 Cf "the worker does not buy his requirements at wholesale or even at retail rates. Very often he buys on credit, and the prices are different when ready cash is not available, also, generally such minute quantities are purchased that the worker gains very little by a fall in price which may seem appreciable when applied to larger quantities. From the standpoint of the workers the difference in price-levels manifests itself but very little in the purchase of their requirements"—Shiva Rao, *op cit*, p 130
- 50 42 *Social Service*, p 297
- 50 43 Outside the gates of almost every mill in northern India and Bombay one can see on wages-day groups of these men (the Parh (or money-lenders), tall, formidable-looking, and armed with *lathis* (big sticks). Physical resistance is useless, for the ill-led worker is no match for the stalwart Parh, and failing gentler methods of persuasion there is, of course, the *lathi* as a last resort"—Shiva Rao, *op cit*, p 933
- 50 44 R K Dey, *Industrial Labour in India*, p 293 (I L O, Geneva, 1938)
- 50 45 Mukerjee, *op cit*, p 187
- 50 46 One explanation of the origin of the depressed classes is as follows: "In the population of the ancient Indian state there was always a non-Aryan element drawn from the primitive tribes that lived within its borders. On these *hina-jatya* (low tribes) and *hina-sippa* (low trades) as they were called in Buddhist times, there always rested a social stigma due to their race, which was intensified when they followed degrading occupations, such as those of the hunter, fowler, scavenger, potter, tanner, night-watchman

- and executioner. They were segregated in villages of their own; they must beat two pieces of wood together to give warning of their approach, for their touch was pollution. It was from such as these that the depressed classes are descended. The cause of their degradation is uncleanness, whether caused by their occupation or by the eating of unclean food such as beef or pork; and their untouchability is the result of this uncleanness."—*Social Service*, p. 68.
- 50 47 Quotation from Gandhi, as given by Shiva Rao, *op. cit.*, p. 82.
- 51 48 See *Indian Journal of Economics*, April 1938.
- 52 49 United Provinces Census Report, 1921, quoted in G. B. Jathar and S. G. Beri, *Indian Economics*, I, p. 266 (ed. (1937)).
- 52 50 "... the ordinary Indian peasant has little chance of increasing his income, for he has not the capital to finance either an extension of cultivation or a subsidiary occupation. . . ."—*Social Service*, pp. 36-7.
- 54 51 It is necessary to add that, fantastic as it may seem, this estimate errs on the side of liberality, if we apply it to present-day conditions, for it is based on figures for the pre-depression period. See V. K. R. V. Rao, *An Essay on India's Notional Income, 1925-1929* (1939).
- 54 52 F. W. Thomas, *History and Prospects of British Education in India* (1891). See also: Sir P. Hartog, *Some Aspects of Indian Education Past and Present* (Univ. of London Institute of Education, Studies and Reports, No. 7, 1939); F. E. Keay, *Indian Education in Ancient and Later Times* (1938); S. M. Jaffar, *Education in Muslim India* (Peshawar, 1936); A. S. Altekar, *Education in Ancient India* (Benares, 1934); Arthur Mayhew, *The Education of India* (1926); N. N. Law, *Promotion of Learning in India during Muhammadan Rule* (1916).
- 56 53 Mukerjee, *op. cit.*, p. 178.
- 56 54 Part I, p. 72.
- 56 55 Mukerjee, *loc. cit.*
- 56 56 "Saulitation, in any accepted sense of the word, is practically non-existent. The public latrine is too often the bank of a river or the margin of a tank. . . . Unprotected wells and tanks, unswept village streets, close pent-up windows excluding all ventilation—in such conditions does the average villager live, and yet observes a remarkably high standard of personal cleanliness and tidiness."—Linthgow Report, p. 482.
- 56 57 Shiva Rao, *op. cit.*, p. 114.
- 57 58 *Ibid.*, p. 106.
- 57 59 Whitley Report, pp. 271-2.
- 59 60 *Social Service*, p. 210.
- 60 61 Shiva Rao, *op. cit.*, p. 67.
- 60 62 It is given by Gangulee, *op. cit.*, p. 219.
- 60 63 Mukerjee, *op. cit.*, p. 63.

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| 60   | 64   | Report of the Director of Public Health, Bengal, 1927-1928.  |
| 61   | 65   | Quoted by Gangulee. <i>op. cit.</i> , p. 228.  |
| 61   | 66   | <i>Ibid.</i> , p. 233.   |
| 61   | 67   | <i>Social Service</i> , p. 210. Meanwhile, it is stated on the best British official authority that "hope for the future lies in the contemplation of what has been achieved."— <i>Ibid.</i> , pp. 111-12.   |
| 62   | 68   | Cf.: "If there was an occasion which called for great sacrifices on the part of the British people, it was certainly this, when the brightest jewel in the British Crown was in danger of being torn from our grasp; but even in this crisis of our history, the selfish traditions of our Indian policy prevailed, and with unparalleled meanness we have sought to transfer the entire cost of a perilous struggle to uphold our own empire, to the overburdened finances of India."—Sir George Wingate. <i>Our Financial Relations with India</i> , p. 24 (1859). |
| 68   | 69   | V. K. R. V. Rao, <i>Economic Journal</i> , March 1933.   |
| 68   | 70   | K. P. Sipahi Malani and H. R. Soni, <i>Indian Economics</i> , p. 606 (Benares, 1936).  |
| 71   | 71   | K. T. Shah, <i>Public Services in India</i> , Congress Golden Jubilee Brochure, No. 7, p. 26 (Allahabad, 1935). See also <i>The Salaries of Public Officials in India</i> , by D. R. Gadgil (Gokhale Institute of Politics and Economics, Publication No. 1. Poona, 1931).   |
| 71   | 72   | Schiff reports a conversation with an English chaplain in India who confessed "that the custom of drawing allowances for unnecessary travelling was far too common."— <i>Op. cit.</i> , p. 148.  |
| 73   | 73   | See <i>Indian Journal of Economics</i> , April 1937.   |
| 74   | 74   | Schiff, <i>op. cit.</i> , p. 147.  |
| 74   | 75   | I am indebted for much of the information in this chapter to Nirad C. Chaudhary's <i>Defence of India</i> (Congress Golden Jubilee Brochure, No. 8. Allahabad, 1935).  |
| 76   | 76   | Chaudhary, <i>op. cit.</i> , p. 32.  |
| 76   | 77   | <i>Ibid.</i> , p. 5.   |
| 76   | 78   | <i>Ibid.</i> , p. 8.   |
| 78   | 79   | <i>Ibid.</i> , p. 25.  |
| 78   | 80   | We should also bear in mind in this connection the international aspects of peace and the question of organising joint defence against aggression.   |
| 79   | 81   | This collective noun comes from the siege of Madrid where General Franco boasted that he had four columns marching on the city and a fifth secret one inside it.   |
| 82   | 82   | P. L. Chudgar, <i>Indian Princes under British Protection</i> , p. 37 (1929).  |
| 87   | 83   | The quotation is from H. N. Brailsford, <i>Rebel India</i> , p. 128.   |
| 87   | 84   | Brailsford, <i>op. cit.</i> , p. 113.  |
| 87   | 85   | Mukerjee, <i>op. cit.</i> , p. 131.  |
| 88   | 86   | <i>Ibid.</i> , p. 20.  |

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- 97 87 John R. Commons, *Legal Foundations of Capitalism*, pp. 216, 218-19.
- 98 88 *Ibid.*, pp. 220-1.
- 109 89 Mukerjee, *op. cit.*, p. 196.
- 111 90 Mukerjee, *Land Problems in India*, Chapters VII and VIII.
- 112 91 *Ibid.*, *passim*.
- 115 92 *Ibid.*, p. 136.
- 115 93 *Ibid.*, p. 6.
- 115 94 *Ibid.*, p. 146.
- 120 95 Cf.: "Most of the benefits derived from agriculture or irrigation accrue to him [the money-lender], not to them. The peasant debtor must be content with making a poor livelihood, and allow profits to go to his creditor. It is not strange that he has little incentive to experiment with improvements, or to work any harder than he does already." —*Social Service*, p. 109.
- 122 96 Rider Haggard, *Rural Denmark and Its Lessons*, 2nd ed., pp. 223-4 (1913).
- 129 97 Fifth century B.C.
- 129 98 Third century B.C. (?)
- 131 99 K. P. Jayaswal, *History of India*, A.D. 180-A.D. 320, p. 205.
- 139 100 Marx.
- 140 101 The quotation is from Palgrave's *Dictionary of Political Economy*, III, p. 552.
- 140 102 A. Appadorai, *Economic and Social Conditions in South India*, A.D. 1000-A.D. 1500, II (Madras, 1935).
- 141 103 *Ibid.*
- 143 104 Marx.
- 145 105 V. Anstey, *The Economic Development of India*, p. 5.
- 145 106 W. H. Moreland, *From Akbar to Aurangzeb*, pp. 145-6.
- 147 107 G. T. Garrett and E. Thompson, *Rise and Fulfilment of British Rule in India*, p. 15. Such was a British complaint against the Dutch.
- 148 108 At all events the incentive to mechanical inventions in the cotton industry appears to have come from the shutting out of Indian imports. See L. C. H. Knowles, *Industrial and Commercial Revolutions*, pp. 41-6.
- 149 109 D. R. Gadgil, *Industrial Evolution of India*, p. 37.
- 149 110 This is mentioned by D. Kincaid, *British Social Life in India, 1608-1937*, p. 132.
- 155 111 P. S. Lokanathan, *Industrial Organisation in India*, p. 144 (1935).
- 157 112 Malani and Soni, *op. cit.*
- 161 113 Malaoi and Soot, *op. cit.*, pp. 315-17.
- 162 114 *Ibid.*, p. 271.
- 162 115 *Ibid.*, p. 347.
- 164 116 Dr. J. Matthai, *Times Trade and Engineering Supplement*, April 1939.
- 169 117 Quoted in I. Durga Parshad, *Some Aspects of Indian Foreign Trade, 1757-1893*, p. 16.
- Again, in their despatch to Bombay on the same subject,

they said 'The increase of our Revenue is no less the subject of our care and must always be yours, as much as our trade, 'tis that must maintain our force, when twenty accidents may interrupt our Trade, 'tis that must make us a nation in India'—Parshad, *loc cit*

178 118 Monague-Chelmsford Report, Chapter I

179 119 Quoted in *The Problems of India*, by B Shiva Rao and D Graham Pole p 40

182 120 P Ray, *India's Foreign Trade since 1870*, pp 130-6

183 121 "India counts, in the widest world sense. For, on a sudden and at a point of psychological overturn which no man could foresee, the age-long hoarder of precious metals absorbing them as a desert takes the water-drops, began to 'dishoard' on a scale which was of immense, though hardly recognised, importance to England in 1932, enabling her to repay her American and French gold credits of 1931, and re-establish her credit and continuing may be of importance still to a gold-befuddled world. Foreword to Ray, *op cit*. The formal imperialist contention is the exact antithesis of this fact, it claims that it is British responsibility to uphold India's credit.

192 122 March 27, 1933

197 123 Edward Thompson, *A History of India* p 70

198 124 The following extract dealing with the origin of the Congress is not without significance. "The years just before the Congress [was founded—1885] were among the most dangerous since 1857. In place of an agrarian revolt which would have had the sympathy and support of the educated classes, Congress gave the rising forces a national platform from which to create a new India"—C F Andrews and G Moolerjee, *The Rise and Growth of the Congress*, p 129. See also W Wedderburn, *Alla Octavian Hume* p 50.

200 125 The words are Sri Surendranath Banerjea's, quoted in H C E Zacharias, *Resurgent India*, p 137 (1933)

201 126 Dr Rish Behari Ghosh's Presidential Address at the Madras Congress, 1908

203 127 Sir Valentine Chirol *India Old and New*, p 177

206 128 See *Condition of India* (Report of the delegation sent to India by the India League, London, in 1932)

206 129 The statement is from a Congress document quoted in Zacharias, *op cit*, p 265

210 130 Schiff, *op cit* p 62

210 131 Malani and Soni, *op cit*, p 367

211 132 Shiva Rao, *The Industrial Worker*, p 175

212 133 Whitley Report, p 434

213 134 J Beauchamp, *British Imperialism in India*, p 138

219 135 W W Hunter, *Annals of Rural Bengal* 7th ed., p 247

220 136 R G Praoan, *India's Struggle for Swaraj*, p 15 (Madras, 1930)

221 137 N C Ranga President at Address at the second All India K.L. in Congress, Faizpur, 1936

224 138 Swami Sahajanand Saraswati, President, All-Indi

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- 124 139 Kisan Sabha, in *National Front* (Bombay, March 12, 1939). These incidents are taken from the *Bulletin* issued periodically by the All-India Kisan Sabha.
- 129 140 One of the leading exponents of this theory of "arrested development," very popular in the universities, is V. Anstey. See her *Economic Development of India*.
- 131 141 Nehru, *Where Are We?* p. 16 (India League, London, 1939).
- 133 142 April 1938. Nehru, *op. cit.*, p. 18.
- 134 143 Lest there should be any misunderstanding, I ought to add that Gandhi's desire to avoid civil disobedience arose not out of any tenderness to imperialism but through his belief that it would lead to violence.
- 134 144 The plan of this book excludes anything purporting, however faintly, to be a discussion of Gandhism. The following remarks are only intended to convey the rôle and the position of Gandhist political leaders in a phase of India's political development that we have already left behind, and as such I trust they will not be found inaccurate.
- 135 145 The delegates from each province (to the annual plenary session of the Congress) elect from among themselves one-eighth of their number as representatives of the province on the All-India Congress Committee. (The President of the Congress, ex-Presidents and the Treasurer are ex-officio members of the Committee.) Its function is to carry out the programme of work laid down by the Congress from session to session and deal with all new matters that may arise during its term of office.
- 137 146 Nehru, *loc. cit.*, pp. 33-4.
- 137 147 *National Front* (Bombay, March 19, 1939).
- 137 148 Nehru, *loc. cit.*, p. 33.
- 138 149 Gandhi himself gave a lead in this direction by going to Rajkot and placing himself at the head of the people's struggle against their local ruler. See p. 239.
- 138 150 The Working Committee, which is the executive authority in the Congress, consists of the President, thirteen members appointed by the President from amongst the members of the All-India Congress Committee and a Treasurer appointed by him from amongst the delegates (to the Congress plenary session).
- 138 151 April 1939. Nehru, Subhas Bose and Sarat Chandra Bose declined nomination.
- 139 152 "I have definitely stiffened in my demands upon would-be *satyagrahis*. If my stiffness reduces the number to an insignificant figure, I should not mind. If *satyagraha* is a universal principle of universal application, I must find an effective method of action even through a handful. And when I say I see the new light only dimly. I mean that I have not yet found with certainty how a handful can act effectively. . . . I have faith that when the time for action has arrived the plan will be found ready."—*Harijan*, June 24, 1939.
- 139 153 July 1939.

*Harijan*, June 24, 1939. Again, "If I cannot find effective, purely non-violent method, the outbreak of violence seems to be a certainty. The people demand self-expression . . . if there is an outbreak of violence would not be without cause, we are still far from the independence of our dream."—*Ibid.*, July 8, 1939.

*Ibid.*, June 24, 1939.

